in Pans, London, Zurich and Hong Kong

Haig Seeks To Assure Greece on Security

By John M. Goshko Washington Post Service
ATHENS — Secretary of State Alexander M. Haig Jr., seeking to security of its eastern borders with Turkey, cited U.S. policy in the Falkland Islands crisis on Sunday as proof that the United States op-poses settlement of territorial disputes by force. Mr. Harg spoke at a news con-ference before leaving for a NATO foreign ministers' meeting in Lux-

embourg. Shorily after his arrival in Luxembourg on Sunday evening Mr. Haig and British Foreign Secretary Francis Pym opened talks on the Falklands dispute, United Press

International reported.] In Athens, Mr. Haig was ques-timed repeatedly about how the Reagan administration will re-spond to Greek demands for a U.S. guarantee for the sovereignty of Greece's borders in the Aegean

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Premier Andreas Papandreou's government has said that such a purrantee is required if Greece is to renegotiate a continuation of the 1953 agreement under which the United States operates four strategically important military bases in Greece.

After questioning persisted, Mr. Haig said: "The U.S. view is oo different than it is in the Falklands question. We reject and oppose the first use of force to resolve disputes. This is a matter of principle. Just as the United States has subscribed to this principle in the Falklands crisis, we cannot recoil from stating unequivocably our adherence to the rule of law and peaceful change in the resolution

But although his answer went further than anything he had said previously on the sovereigntypledge question, it still fell short of what the Papandreon government had indicated it wanted from

Specifically, Greece has been seeking a public traffirmation by the Reagan administration of a pledge contained in a 1976 letter by Henry A. Kissinger, then secretary of state. In it, Mr. Kissinger said the United States "would acively and unequivocably oppose either side's seeking a military sohition" in the Acgean dispute.

However, reaffirming the Kissinger letter at this time would provoke a hostile reaction in Turkey, also a U.S. NATO ally, and cast into doubt the future of U.S. bases there. In Ankara, which he visited before coming to Athens, Mr. Haig turned aside questions about the Kissinger pledge. At his news con-ference in Athens, he maintained

the same approach.

Earlier, Mr. Haig and other U.S. officials had said they did not believe the sovereignty-guarantee issue was likely to be a major impediment to starting talks on a revised

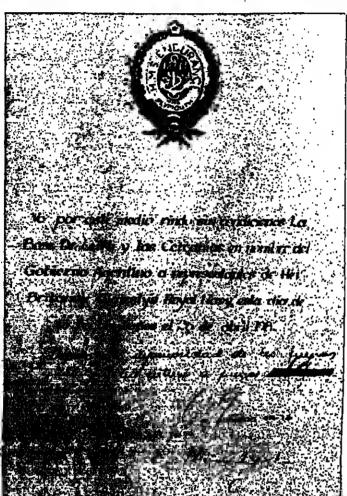
base agreement. Greek officials have also hinted that Mr. Papandreou now might be willing to settle for something less specific, such as in a general improvement in U.S.-Greek rela-

Mr. Haig, who repeatedly stressed the "cordial and construc-tive nature" of his talks with Mr. Papandreon, also implied that the two sides were moving closer to a resolution of the bases issue. "I think a consensus was reached on how to deal with the subject in the period ahead," Mr. Haig said. "But we didn't get into the sub-

Mr. Papandreou, who was elected last October in a campaign with strong anti-American overtones, said at the time that he wanted to negotiate the closing of the U.S. bases, but he has since adopted a



Capt. Alfredo Astiz, commander of the Argentine garrison on South Georgia Island, signed a surrender document on April 26 in front of Capt. David Pentreath of the Plymouth and Capt. Nicholas Barker of the Endurance. The photograph was released by the British Defense Ministry. Swedish and French authorities have asked to be allowed to question Capt. Astiz about the 1977 disappearances of two French nuns and a young Swede, and he is still in British custody.



This is the document in which Capt. Alfredo Astiz unconditionally surrendered his forces at Leith on South Georgia Island. Above his name, he wrote, "Due to the superiority of the enemy forces, I am handing myself over to the British forces."

Israel to Redouble Bid To Repair African Ties

By William Claibome Washington Post Service

JERUSALEM - Encouraged by Zaire's decision to renew diplomatic relations, Israel plans to in-tensify its effort to restore ties with other African countries that severed relations at the outset of the 1973 Middle East war, Israeli

Nimyaidika Neimbi, the person-al envoy of President Mobuta Sese Seko of Zaire, said after a meeting here Sunday with Israeli Foreign Minister Yitzhak Shamir that diplomatic relations between the two countries had been in effect since Friday and that Zaire would open

an embassy in Jerusalem. An Israeli Foreign Ministry spokesman called the decision an "important development" in Israe-li-African relations. He added, "Israel calls on other countries of the continent to follow Zaire's exam-ple and renew their links of friendship and cooperation, to the bene-fit of all parties."

Before 1973, Israel was one of the most politically active foreign countries on the continent, maintaining formal relations with 22 black African states. The Africans long before had accepted Israel as a small developing country that it-self had struggled against British

colonialism.

Israel trained African armies, developed African farmland and brought 8,000 Africans to Israel to study medicine, agriculture and

engineering.
But with the onset of the 1973 war, most black African countries broke ties with Israel on the ground that it had occupied terri-tory of Egypt, a member of the Organization of African Unity. Zaire was the first to make the break. Israel now has relations with

only three black African countries (Continued on Page 2, Col. 8)

EEC Decision On Argentina Is Postponed

From Agency Dispatcher
LUXEMBOURG — European Economic Community foreign ministers decided Sunday night to delay a decision on the extension of trade sanctions against Argenti-na until Monday night, six hours before they are due to expire.

Foreign Minister Hans-Dietrich Genscher of West Germany said after a brief meeting that the for-eign ministers would meet again to consider action over the Falklands

"We are coming back to that tomorrow," be said.
The Common Market oegotiations on the sanctions are a major test of EEC support for Britain's policy in the dispute on the Falk-

Request by Pym

Foreign Secretary Francis Pym of Britain left a meeting in Loodon of Prime Minister Margaret Thatcher's "war Cabinet" to urge the foreign ministers to renew the ban on Argentine imports before it expires Monday after being in force for one month.

The Common Market imposed the ban on goods worth \$1.7 billion a year to pressure Argentina to withdraw its troops from the

Diplomats said any renewal of the sanctions would be for a limited period, possibly until the end of May or earlier.

The ministers were in Luxem-bourg for a NATO meeting that was expected to be dominated by the Falklands conflict.

At a meeting in Brussels oo Sat-urday night of senior officials from the EEC member governments, Italy and Ireland expressed misgiv-ings about an extension of sanc-

Britain's appeal for sobdarity from the rest of the EEC comes at a time of serious conflict with its partners. Britain has demanded big refunds from the community budget and set a veto on planned price increases for Common Mar-

ket farmers until it gets them. Vote on Farm Prices

But Britain's tough bargaining tactics could backfire. The farm ministers could decide Monday to ont-vote Britain on farm prices, breaking a long-standing tradition of unanimity on such issues and opening the way for a crisis in the

Chancellor Helmut Schmidt of West Germany and President François Mitterrand of France said in a statement Saturday that there was no reason to balt the sanctions at this time, but they said that their continuation must be linked to the pursuit of a negotiated solution.

British Jets Raid Falklands; Commandos Attack Airfield

LONDON - British Sea Harrier warplanes bombed and strafed two Argentine vessels in small harbors off Falkland Sound on Sunday, the

Defense Ministry reported.
Earlier Sunday, the ministry diselosed Harrier raids Saturday on the air base at the Falklands capital of Stanley and gave details of a British commando raid on another airstrip in which 11 Argentine planes were reported destroyed.

A ministry statement said the

vessels attacked on Sunday were thought to have been in the har-bors since before Britain imposed its air and sea blockade of the Argentine-held islands April 30. There was no mention of which

harbors or which vessels were involved, but the statement followed volved, but the statement followed an Argentine communique reporting Harrier attacks at the Falklands ports of Fox Bay and Darwin. The statement said there was no firm indication of damage to the vessels and added that the Harriers returned safely.

The commando raid Friday night was the first ground assault that Britain has acknowledged making on the Falklands themselves. British forces cantured the

selves. British forces captured the Falklands dependency of South Georgia Island on April 25, "This was a raid and not an in-vasion," said John Wright, a De-

fense Ministry spokesman. The commandos suffered two minor casualties, British officials said. Argentine troops were reported to have suffered some casualties, but the number was not known.

A British reporter who wit-nessed the raid from a destroyer sent to support the commandos said the bombardment lasted nearly 30 minutes. "I saw salvo after salvo of 4.5-inch shells directed at the target by a spotting team al-ready ashore," said the reporter, Martin Cleaver, "Thirty-two shells

a minute rained down."

A brief communiqué early Sunday added word of the air strikes Saturday to details of the foray by helicopter-borne commandos Friday night. In addition to hitting the Stanley airport, the Harriers struck Argentine military installations associated with the airfield, the communique said.

Britain said all its jets returned

safely from the strike - the fifth reported against the Stanley air-field since May 1. The communiqué said the raid was "part of the continuing task of enforcing the total exclusion zone" that Britain has declared around the Falk-

Argentine Report

An Argentine military commu-niqué said that British Sea Harrier jets attacked Argentine forces Sunday at Zorro Bay and Port Darwin on Soledad Island in the Falklands hut caused no damage and were

Diplomatic efforts aimed at resolving the Falklands crisis continned, with Argentina reporting "some optimism" and Britain's ambassadors to the United Nations and Washington briefing the government in London on the lat-est round of UN-sponsored peace

But during a break in a Cabinet meeting Sunday in London, De-fense Secretary John Nori gave the negotiating process a week at most. "Time is not on the side of negotiations," be said in a radio in-

After the British Cabinet session, a spokesman said the country's UN ambassador, Sir Anthony Parsons, would return to New York Monday to resume negotia-tions with the UN secretary-general, Javier Pérez de Cuéllar. The Defense Ministry in Lon-

don said commandos raided the airstrip on Pebble Island just north of West Falkland Island on Friday night and laid explosive charges

(Continued on Page 2, Col. 3)



President Leopoldo Galtieri of Argentina speaking to a Mexican television reporter.

Argentines Are Prepared to Fight A Prolonged War, Galtieri Warns

BUENOS AIRES - Reflecting the general view in the government here that a British invasion of the Falklands is imminent, President Leopoldo Galtieri says that with almost 400 Argentine lives lost, "honor" is at stake and the country is willing to fight a bloody and prolonged war.

I am carrying on my shoulders the spilled blood of 400 Argentines," he said in an interview with a Mexican television reporter Saturday. "The Argentine people, oot me, I am sure, are ready for oot only 400, but 4,000 or 40,000."

Issue of Soviet Aid Most of the dead referred to by Gen. Galtieri were from the tor-Gen. Gatheri were from the torpedoed cruiser General Relgrano.
The sinking May 2 of the U.S.built cruiser by a British submarine cost Argentina 20 confirmed
dead and 301 lost at sea, according
to the military command's final
tally, released late Friday night.

Gen. Galtieri's mention of the figure 400 Saturday reflected the military's presumption that all the missing are dead. The command said 790 men from the ship were

In the interview, Gen. Galtieri again sidestepped the question of whether Argentina would turn to the Soviet Union for aid.

"If Great Britain insists with its militaristic attitudes," he said, "taking the conflict toward final consequences, we want Argentina

uatioo in these past five or six weeks, we will continue to maintain five or six months, or five or SIX Vears." After charging that Britain was

and the world to know that just as

we have been maintaining this sit-

motivated by "imperialism and co-louislism," he invoked the great moral effect here of political sup-port from Third World countries when he added, "I don't feel alone, oot only among the Argentine peo-ple, but also within Latin America, as well as various communities of the world," Gen. Galtieri underlined Argen-

tina's position that it prefers a negotiated solution to war and that it will not break off the talks at the United Nations despite growing British military pressure. "In oo way will Argentina be the one to cancel or cut this communication, he said. "In the following days, it is probable that an approach toward the search for a solution may exist, but it is not definite."

This was a slightly more positive for Peruvian television Friday night. He said then that "there is a slow advance" in the talks but that the defined outlines of a solution were "still not seen."

Foreign Minister Nicanor Costa Méndez told reporters late Friday night that the return to London of Sir Anthony Parsons, Britain's representative in the UN talks on the Falklands, proved that "the responsibility for the delay or the prolongation of the oegotiations is certainly not Argentina's, but Brit-

Argentine Foreign Ministry offi-cials, repeating that opinion Satur-day, also expressed hope that the ambassador's recall was a positive step that might lead to an accord within the British government for a negotiated settlement,

Argentine military officials also acknowledged for the first time Saturday that there were oo commandos still holding out oo South Georgia Island, which British forces recaptured April 26. The commandos were captured and were among the 149 Argentine ma-rines who returned here Friday.

Argentine military sources said that the country's aerial supply of the approximately 10,000 troops on the Falkland Islands had continued. They said that Argentine warplanes had been making sorties ghly every two hours. proaching the British fleet but turning away before getting too close, in a form of psychological pressure to keep the British oo

The sources said that on clear days, when the aircraft have had good visibility, the British task force of more than 30 ships has clustered together for protection, surrounding the two aircraft carriers, the Hermes and the Invincible. about 60 miles (96 kilometers) west of the Falklands.



Members of a British television crew leave a Buenos Aires courthouse after testifying about their abduction. From left are Edward Adcock, Trevor Hunter, Julian Manyon and Norman Fenton

Abductions of Foreign Newsmen

French Propose Technology as Summit Subject Idea Is to Emphasize Long-Term Solutions, Not Short-Term Squabbles

By Axel Krause ional Herald Tribuni

PARIS — President François Mitterrand plans to present a report on technology to next month's Versailles summit in an effort to give; the meeting a reflective and conciliatory di-

The paper, which has been redrafted to allay some U.S. objections and is being kept confidential, is to be the first item of business on the summit agenda, according to French and U.S. government sources. In picking technology as a leading topic for

discussion, Mr. Mitterrand hopes to focus the attention of Western leaders on a long-range subject on which everyone can agree. The basic idea is to show that the economic crisis is not fatal," a French official said.

Intriguing Subject

The highly cootroversial and more immediate economic issues that are straining the alliance also are to be discussed by the leaders of the United States, Japan, West Germany, France, Britain, Italy and Canada, along with representatives of the European Economic Community. These topics include U.S. monetary policy, trade with Communist nations and relations with the Third World.

"Even though technology is an intriguing subject," said a senior U.S. official, "it will be

difficult if not impossible to avoid the tough issues -- differences between us and the Europeans over subsidies, East-West relations and how to improve the world's trading system."
Political, security and related international questions also will be discussed during the 23

hours scheduled for formal talks during the

June 4-6 meeting. Mr. Mitterrand is to read his report to leaders from Western industrial nations gathered in Versailles Palace. A discussion that could last up to two hours is to follow, the sources

The French president's message, according to those who have read the most recent draft, is that government leaders must develop strategies to deal with new, rapidly evolving technology, in both the medium and the long term. The report discusses how emerging industri-al technology could create jobs in Western economies and looks at the potential of new technology for the developing countries.

French officials have declined to discuss specifies of the document with newsmen, emphasizing that the final version will be divulged to summit leaders by Mr. Mitterrand.

Sources familiar with the most recent draft said that it suggests that governments should play the key role in developing technology. That message is a reflection of current French policy, which strongly supports direct governBut, largely in response to objections by U.S. officials and others, the Mitterrand docu-ment now also recognizes an important role for private industry in developing technology. A senior Reagan administration official fa-

miliar with the latest version, which was re-cently brought to Washington by one of Mr. Mitterrand's aides, described it as "provocative," adding: "The French bave come a long way in the drafting, so we now have a more neutral framework for discussion." Mr. Mitterrand hopes the report will be for-

mally adopted by the summit leaders and recommended to an international body for further action. But the basic aim is to launch a discussion that would help develop ideas for healing the world economy, French officials

A Studious Approach

"Compared to previous world summits, we wanted a freer, studious, less bureaucratic approach at Versailles, allowing heads of state to reflect on some longer-range issues," a senior French official explained. "We thought tech-nology was an excellent choice."

While officials from most summit oations do not expect to spend more than several hours on the subject, there is wide agreement that technology is well worth discussing, if for (Continued on Page 2, Col.6)

INSIDE ATROCTTIES - An investi-

gative team of the South African Catholic bishops' confer-ence that visited the war zone of Namibia issued a report al-leging widespread atrocities by members of the South African defense force. Page 4. REAGAN GIFTS - President

Reagan received more than \$113,000 in investment and interest income in addition to his salary last year. In addition, Mr. Reagan and his wife, Nancy, accepted gifts worth more than \$30,000. Page 3.

DEEP SLEEP - After 15 years of research, a team of Harvard University scientists has identified a naturally occurring human substance that appears to play a role in initiating deep sleep. The chemical — called "factor S" by the scientists - has been isolated in extremely small amounts from buman urine, but it appears to be an extraordinarily potent substance. Page 5.

SUPPLEMENT — A special supplement on Portugal appears on Pages 7S through 13S of today's International Herald

Recall 'Dirty War' in Argentina

By Jackson Diehl Washington Post Service

BUENOS AIRES - The kidnappers flashed yellow cards like those that once identified Argentime security forces. They carried .45-caliber pistols and clubs strapped to their wrists with leather thongs. And they communicated from their customized Ford Fal-cons with sophisticated radios linked to a central dispatcher.

The abduction last week of six foreign journalists over a two-day period again confronted Argentina's military government with the specter of its past - a past that the military, even in its moment of greatest public support here, can-not seem to put behind it.

Both the technique and the equipment that the journalists described are vividly remindful of the years of the government's "dirty

In the late 1970s, Falcons with covered license plates cruised the streets of major Argentine cities almost nightly, and an estimated 6,000 to 15,000 people disappeared

leased unharmed, most of the thousands of Argentines who disappeared have never been seen Now, with the abductions and the detention by Britain of an Ar-

gentine military prisoner allegedly linked to several disappearances, the government's human rights record is threatening to become a major obstacle in its campaign for international support against Brit-

that a great part of the difficulties that Argentina encounters in various European countries in the comprehension of its undeniable territorial rights originates in the bad image because of the problem of human rights," the leading mod-erate daily Clarin said in a recent

Argentine government officials appeared chagrined over the journalists' abductions. "Here we are trying to make good public rela-

in the same manner as the journal-ists.

tions, and this happens," said Gus-tavo Figueroa, the chief of the Cabinet in the Foreign Ministry, after a British television crew was kidnapped Wednesday.

Later in the week, the French and Swedish governments asked to interrogate Alfredo Astiz, a Navy captain still being held by Britain after his capture April 25 on South Georgia Island. Other Argentines captured at the same time were turned over to the Red Cross are now back in Argentina.

Capt. Astiz has been linked by rights organizations in Argentina to the disappearance of two "It has to be said very frankly French nuns and a young Swede in

For human rights groups here. the damage to Argentina's image abroad is not as serious, however, as the possibility that the oncefeared security apparatus still has not been dismantled - or continues to exist outside the govern-

ment's control. The issue surfaced here last week with the appearance at the Interior Ministry of several hun-(Continued on Page 2, Col. 3)

By Richard Halloran

New York Times Service WASHINGTON - Secretary of Defense Caspar W. Weinberger has told European leaders that the United States must be free to move American military forces out of Europe in an emergency in the same way that Britain has sent forces to the Falkland Islands, according to senior Pentagon offi-

Mr. Weinberger, the officials said, has been using the crisis in the South Atlantic to reinforce the Reagan administration's conten-tion that members of NATO have interests outside their boundaries and must be ready to send forces

to protect those interests.
The debate in NATO over what has been known as "out of area" operations began when Iranians seized American hostages and the Soviet Union intervened militarily in Afghauistan, both late in 1979. President Carter, in early 1980, said the United States would defend its interests in the region around the Gulf with force if nec-

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essary. Specifically, Mr. Weinberger has asserted that Europeans must agree in principle that the United States is free to deploy American ground, air and naval forces from Europe to the Middle East if it becomes occessary to protect oil sources that are vital to the industrial world, the officials said.

The officials said the administration had been seeking a compre-hensive plan under which Enrope-an allies would fill in gaps left by the departure of U.S. troops. The United States has 300,000 troops in Europe, including 28 percent of the U.S. Army.

Under the plan, the Europeans would assure the United States that weapons and equipment stored in Europe could be moved, would provide logistic support and would grant the United States the rights to move forces and supplies from the United States through Europe to the Middle East.

The officials said that Mr. Weinberger's analogy with the Falk-lands appeared to have been effective with the Europeans and that they expected to have a plan worked out within a year. The

S. Koreans Kill Infiltrator

United Press Intern SEOUL - South Korean troops killed an armed North Korean in-filtrator early Saturday, and a search operation was under way for two others just south of the truce border between the two Koreas, the Defense Ministry said.

chief U.S. negotiator is Richard N. Perle, the assistant secretary of defense for international security

European nations have been reluctant to join the United States in sending forces to the Gulf and Middle East, even though Western Europe is more dependent on oil from the region than the United States is. The Europeans have also objected to the deployment of U.S. forces from Europe, particularly aircraft carriers and their escorts.

Outside the NATO Charter

After the Reagan administration came into office, Pentagon offi-cials said, the Europeans cootinued their adamant opposition to plans for deploying U.S. forces away from Europe, contending that this was outside the NATO charter. But the real reason, the of-ficials asserted, was that they did not want to incur the costs of filling the gaps left by the American

Then, the officials said, U.S. oegotiators pointed to increasing demands in the United States that American forces be withdrawn from Europe. The possibility that Europe might have to choose between the Americans' going home or being free to deploy elsewhere "had a sobering impact," one offi-

Finally came Britain's dispatch of forces to the South Atlantic.
When Mr. Weinberger was in
Brussels for a meeting of NATO
defense ministers, the officials
said, he made the point that NATO forces were going to be di-verted and that the alliance should make plans to cope with the sima-

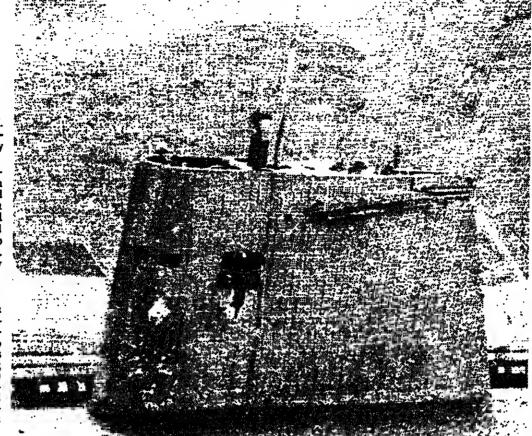
The forces of several other NATO nations have taken over what are normally British missions, especially patrolling the North Atlantic, because much of the British fleet has gone to the

South Atlantic.
The defense secretary said the alliance should prepare, before there is an emergency, to accom-plish missions currently assigned

to the Americans.

Pentagon officials said that Mr. Weinberger and Mr. Perle had emphasized to the Europeans that it was important to avoid forcing the United States to choose between deploying forces to protect Europe and deploying forces to protect interests in Southwest Asia.

They urged the Europeans to see that it was in their interests for U.S. forces to be flexible. Other-wise, if the United States had to allocate forces to each region, American support for NATO would decline.



Santa Fe, the Argentine submarine damaged in an attack late in April, sits in the British-held harbor on South Georgia. The vessel made its way to shore after it was damaged by helicopters.

British Hit 2 Falklands Airstrips

(Continued from Page I) that destroyed aircraft on the ground and a large ammunition

The ministry said Sunday that 11 Argentine aircraft were destroyed - six Pucara ground-attack planes, one Skyvan and four unidentified light aircraft.

The ministry described the raid as a "limited military action" designed to enforce the British air and sea blockade around the islands, where an estimated 9,000 to 12,000 Argentine troops are dug

The Argentine military reported Friday night that 20 crewmen were dead, 301 were missing and 790 were rescued after the cruiser Gen-

(Continued from Page 1)

dred people, many of whom had traveled from the interior of the

country, seeking information about missing relatives. Interior Minister Alfredo Saint

Jean announced in March, at a time when U.S. officials were

studying Argentina's human tights

record, that families would be given individual briefings by government officials. He promised what he called a "definitive solution" to the issue of the disappearances.

called on the government to clear

up the problem of the missing peo-ple before it destroys Argentina's diplomatic position in the South

An editorial in the rightist daily

ently not so easy.
Interior Minister Saint Jean and

other high government officials have suggested that the abductions could have been carried out by

forces determined to destabilize

the government, either leftist or-

ganizations or foreign agents. But the government has made no ar-rests and produced no evidence of

The three journalists from Thames Television of London who were seized Wednesday — a fourth managed to escape at the outset of

the abduction — said they were clearly in the hands of profession-

Identifying themselves as police, the men who abducted Julian Ma-

oyon, Trevor Hunter and Edward

Adcock had prepared their Argen-tine-made Ford Falcon for such an

operation. Even the window han-dles in the car's back seat had been

bound with cords, the journalists

said, to prevent any possibility of cries for help. The abductions would appear to

be a serious problem for the mili-tary government. Mr. Manyon, who with his colleagues was sum-moned by President Leopoldo Galtieri to hear an official apolo-

gy, said the president and Mr. Saint Jean "said they did not know

who was doing this, but they were afraid of the consequences of it."

cluding a television team from WNEW-TV of New York, said they were told by Mr. Saint Jean that the abductors could have been

former state security men or even

Hotel Zürich

deluxe Hotel in the heart

of the city.

Neumühlequai 42. 8001 Zurich, Switzerland, Phone 01/363 63 63.

Telex 56809

Meanwhile, authorities in the

present police members.

Other captured journalists, in-

Recent Abductions Recall

'Dirty War' in Argentina

eral Belgrano was torpedoed and sunk by a British submarine May 2 near the tip of the South American

number of Argentines acknowledged dead or missing in the Falklands fighting at about 400. The British list 23 dead, 20 of them in an Argentine missile attack that shattered the destroyer Sheffield.

An Argentine Navy spokesman in that zone are very slight."

ing on military installations. Sex

said rescue efforts for the crew of the General Belgrano "can be con-sidered terminated," adding that "the chances of finding someone alive in a lifeboat after two weeks Another Argentine military

communiqué held our "little hope" for the civilian merchant ship Isla de los Estados, reported missing on a supply run to the Falklands.

Argentine military sources speculated that the ship, with a crew of between 30 and 40, may have been hit by a British missile. The British reported May 11 that a frigate fired on an unidentified tanker or supply vessel in the strait separating East and West Falkland and that an explosion had been heard. Argentina did not acknowledge that report.

Pebble Island, which is 19 miles (30 kilometers) long and is at the northern tip of West Falkland, is 65 miles from Stanley. It is covered by mountains except at its eastern end. It is there that the troops landed, military analysts believe, probably dropping by rope from belicopters.

Bomb Explodes in Greece The Associated Press

sonthern city of Ushuaia continue IOANNINA, Greece — A time bomb exploded early Sunday in the basement of the police head-quarters in this city in northern Greece, causing severe damage but as injuries police said. to hold three British journalists ar-rested April 13 and accused of spyal press groups and international organizations have made pleas for their release. oo injuries, police said.

WORLD BRIEFS

Israeli Warplanes Fly Over Lebanon BEIRUT - Israeli warplanes repeatedly entered Lebanese airspace pope with a bayonet.

But when the families went to the ministry Monday, they were told that the building was closed for disinfection and that the infor-BEIRUT — Israeli warplanes repeateury canada.

Sunday, attracting Palestinian and Syrian anti-aircraft fire.

The Israeli flights forced Beirut International Airport to close for one
The Israeli aircraft made seven low passes over

French Topic Several civilian leaders have

the city. After a brief lull, the jets returned in the early afternoon for several more passes over Beirut and southern Lebanon. The flights followed a series of warnings from Israeli leaders that any Palestinian guerrilla activity would provoke a strong military response from Israel.

Warsaw Professor Reported Interned

La Nación urged that strong ac-tion be taken to combat any im-WARSAW — The martial law authorities have interned Jadwiga Puzynina, the dean of Warsaw University's Polish language department, and accused her of participating in protests against military rule, her colpressioo that the journalists' scizure was part of "an ugly insti-tutionalized system." But for the military government, which has labeled the abductions a damaging blow to the Falkland Is-lands cause, the solution is appar-

The report of Mrs. Puzynina's internment was in a resolution issued Saturday by the Polish language department's faculty council, which said she was accused of "threatening social order." She was apparently in-terned after Poles struck and marched in several cities Thursday, the beginning of the sixth month of martial law.

Mrs. Puzynina's reported internment has not been confirmed by the Interior Ministry. Polish television said 679 people were arrested in Thursday's protests, which were called by underground leaders of Solidarity, the suspended independent union federation. Most protesters

Problem Reported on Italian Jetliner

PALERMO. Sicily — Civil aviation officials said an Italian jettiner was rocked by a violent midair shock Saturday as it flew over an area where NATO forces were conducting air and sea exercises in the Mediter-

ers traveling on an Italian internal flight from Milan to Palermo said that after the turbulence ended, they saw "a fast-moving projec-tile, like a missile," flying away from them and trailing smoke.

The Defense Ministry said radar records from the Marsala tracking

station in Sicily showed no trace of planes near the airliner. Italian aircraft in the NATO exercise were armed only with bombs, and it was not known whether U.S. planes carried missiles, it said.

Trial of Salvadorans Recommended

ZACATECOLUCA, El Salvador - Five former Salvadoran National Guardsmen are guilty in the 1980 murders of four U.S. churchwomen and should be tried immediately, the judge investigating the case has

Judge Bernardo Rauda Murcia's recommendation Friday came after a 91-day investigation in which he gathered and inspected the evidence that can be used against the men in a trial. He said he would forward his formal recommendation to the capital by mail. Mr. Rauda's recommendation is a crucial step under Salvadoran law.

After a police investigation, cases are turned over to a judge who has unlimited time to review the evidence and add to it. The judge then recommends that the case either be dismissed or go before a jury.

Woman Becomes Yugoslav Premier

BELGRADE — The newly constituted Yugoslav Parliament formally elected Milka Planinc on Sunday as the country's first woman premier. She immediately named a Cabinet of 28 loyalists to Tito's policy of Mrs. Planinc, 57, 100k over the Croatian Communist Party leadership

in 1971 after the local separatists threatened the unity of Yugoslavia. The collective presidency nominated her for the premiership last January. She replaces Veschin Djuranovic, who returned to serve as president of his native Montenegro state.

151 Arrested After Parade in Berlin

BERLIN - West Berlin police said Sunday that 151 persons were arrested after scattered protests in connection with the annual parade of British, U.S. and French occupation forces.

Those detained were set free after checks of identification papers, the police said. Most of the protesters were carrying banners reading "Swords Into Plowshares," the motto of the East German peace movement, and other antiwar slogans. About 65,000 people turned out Saturday for the parade by about 3,000 soldiers. Two years ago, protesters attacked U.S. buildings after the parade and

burned American flags. Compiled From Agency Dispotches

Pope Asserts Britain Visit Is Imperiled

Says Falklands Clashes Have Posed an Obstacle

> By Henry Kamm New York Times Service

ROME - Pope John Paul II acknowledged Sunday that his long-awaited visit to Britain, scheduled to begin later this month, has been put in doubt by the conflict over the Falkland Islands.

The pope, who returned early Sunday from a four-day pilgrimage to Portugal, made the announcement at his regular Sunday noon blessing and address as tens of the sanday and address as tens of the sanday from the sanday relations and relations and relations and relations and relations and relations are sanday relations. of thousands of tourists and pil-grims listened in St. Peter's Square. Speculation over the visit, which is scheduled May 28 to June 2, has been active since Britain and Argentina opened military hostilities over the islands. Vatican sources and diplomats accredited to the Holy See expressed doubt that the pope could visit Britain while armed force was being used.

Pope John Paul's statement Sunday was his first formal comment on the issue of his visit; he has spoken repeatedly and with evident sorrow of the fact that two nations on whose Christian tradition he as remarked have failed to solve the controversy by peaceful means.

Noting that the visit had been prepared with great earnestness, "sparing neither effort nor enthusiasm," for a year and a half, and was of historic importance for ecumenical as well as Roman Catholic reasons, the pope said: "Unfor-tunately, well-known events that have taken place in the South Atlantic have disturbed this eve of the [trip], putting in doubt the very possibility of the journey, whose setting cannot be but a setting of peace and serenity."

But the pontiff expressed hope that the visit might still be salvaged. "I continue to keep alive the hope that such a setting can still be restored, thanks to the good will of men and the help of God," he said.

The visit would be a signal step in normalizing relations between the Vatican and the Anglican Church King Henry VIII of England broke with Rome nearly four and a half centuries ago over a papal refusal to allow him to divorce Catherine of Aragon to marry Anne Bolevn.

The pope also thanked those who joined him in giving thanks at the shrine of Fatima for his recovery from a wound suffered May 13, 1981, in an assassination at-tempt at St. Peter's.

He also thanked those who offered prayers of gratitude for his escape from another attempt on his life while he was praying at Fa-tima. Juan Fernandez Krohn, a priest who is opposed to the liber-alization of Catholicism, has been charged with attempted murder in Lisbon for trying to attack the

For Summit

(Continued from Page 1)

no other reason than to draw attention away from the more divi-

There is no way that Reagan, Schmidt, Mrs. Thatcher and the others will allow technology to dominate the discussions, but it will definitely strike a longer-term, and welcome, note, since it suggests a solution to the present economic situation," a senior U.S. official said.

ficial said.

"It provides an integrating theme," said another U.S. official, adding that "there obviously are going to be differing approaches, but it has the advantage of being an essentially neutral subject."

Nonetheless, some controversy is expected, sources said. The Reagan administration is determined to emphasize the leadership

mined to emphasize the leadership of private industry, although it is not ruling out a government role, particularly in providing tax incen-

The U.S. view is largely shared by Britain, West Germany and Japan, while the French government will be advocating greater state involvement, the sources said. U.S. officials also are deter-

mined to emphasize the trade-related aspects of technology, particularly in such fields as telecom-

Graham's Russian Trip: New Case of Naiveté?

U.S. Clergyman's Favorable Reports Reflect Soviet Skill at Image-Making

By John F. Burns New York Times Service

MA N TIW - If there is any consolation for the Rev. Billy Graham amid the furor caused by his remarks here last week about Soviet tolerance of religion, it must lie in the fact that he joins a long tradi-tion of visitors who have come away with rosy views of the Soviet

Before Mr. Graham ended a week's visit on Thursday, he reweek a visit our ramsday, he re-plied to criticism of his failure to speak out against a perceived lack of religious freedom in the Soviet Union. "I think there is a lot more freedom here than has been given the impression in the United States, because there are hundreds, thousands of churches open," he told reporters at Moscow's airport. Earlier in his tour, he said, "I have experienced total liberty in what I want to say."

"So from my personal experi-ences, I have had liberty. . . . I go back to the United States with my head full of new thoughts and ide-

as and with my heart also, in some respects ... strangely warm." [In New York, Mr. Graham said Sunday there might appear to be "an element of opportunism" in his recent change in attitude toward the Soviet Union, but he said his decision to visit Moscow was mandated by the scriptures, The Associated Press reported.
[In a television interview, Mr.

Graham was quoted as saying: "Jesus said, Go ye into all the world and preach the Gospel.' He didn't say 'go into the capitalist countries only. "] Since 1917, there have been nu-

merous examples of public figures, lawyers, diplomats and journalists who sojourned here and left with favorable impressions, only to be ridiculed for their credulity.

Ventures Discouraged

The reasons are many. Most visitors who arrive here on an Intourist charter, speaking no Russian, depend throughout their visits on official interpreters and officially arranged interlocutors. This means they have no readily available means of communicating with Russians outside their official schedule without making special

With all visitors, and especially with important ones, the Russians discourage ventures outside of the schedule of visits and discussion Days and nights are packed with events, so that only the determined find the time to break away and encounter Soviet realities for them-

Those who do launch out on their own encounter obstacles, such as the absence of good city maps, telephone directories and taxis, and the arguments of hotel doormen, taxi drivers and others against do-it-yourself tourism.

The problem dates from long before the Communists seized power. The Marquis de Custine, a French traveler who visited Czarist Russia in the 1840s, wrote a pene-trating account of his experiences in his book "The Empire of the

"Russian hospitality," he wrote, "is so hedged around with formali-ties as to render life unpleasant to the most favored stranger. It is a civil pretext for restraining the movements of the traveler, and for limiting the freedom of his obser-

He went on: "Would you see the curiosities of a palace, they give you a chamberlain, with whom you are obliged to view everything, and, indiscriminately, to admire all that he admires."

The tendency to take the host's claims at face value has led many prominent Americans astray. Presdent Franklin D. Roosevelt's ambassador to Moscow in 1938, Joseph Davies, reported to the State Department at the height of Sta-lin's purges that there was "proof beyond reasonable doubt" that two of the dictator's marshals were guilty of treason.

After Stalin died, Nikita S. Khrushchev revealed what most of the world had assumed all along — that the evidence in the trials Mr. Davies mentioned was fraudulent, or had been obtained under

Henry A. Wallace came here as vice president in 1944 and was taken to the Kolyma area of eastern Siberia. The site, it was learned later, was part of a network of some of Stain's most brutal labor

camps.
But Mr. Wallace, in his book
"Soviet Asia Mission" described gold miners who were brought to meet him — drafted from the camps, though he did not guess it — as big husky young men who came out to the Far East from Faropean Russia" and as "pioneers of the machine age, builders of cit.

Like Mr. Wallace, Mr. Graham was treated to the luxuries that the Kremin likes to grant influential visitors. Although caviar is beyond the evangelist spoke enthusiastically about having had "caviar with almost every meal." the reach of most Soviet citize

Mr. Graham was chauffenne around in a huge Chaiks limousine, while religious hierarchs from the Soviet-dominated comtries of Eastern Europe motored around in a bus.

Welcoming of Gide

André Gide, the French povel-Andre Gide, the Frence novelist, wrote years after a visit in 1936: "I had the most constraint cars everywhere, a private coach on the train, the best rooms and meals in all the hotels. I will acclaimed and feted, Nothing was considered too good for me. I could not fall to carry away with me a most wonderful memory of the welcome I had received."

But the efforts induced in the novelist the opposite of what his hosts had intended: The immense privileges I was offered amaze and terrified me and I was afried of being seduced and corrupted."

if privilege has been used as an opiate, so has the prospect of reward. The promise has not generally been material compensation but of something of overriding in

portance to the visitor.

Critics of Henry A. Kissinger have said that he was seduced in his contacts with the Soviet leaders by the hope that detente would succeed. Mr. Graham told diplo mats that he felt he had the "promise" of a preaching tour "from Siberia to the Black Sea," as he put it later to reporters.

Israel Boosts African Bid

(Continued from Page I)

but Israeli development companies are active in at least 12, including Kenya and Nigeria.

Israeli trade with black Africa exceeds \$100 million annually, or three times the pre-1973 level, and the state-backed Agridev Co. has projects throughout the continent. The Solel Boneh construction company has contracts totaling nearly \$2 billion in black Africa, and an Israeli community of 500 families

lives in Nigeria.
The Israeli go tains special-interest sections in foreign embassies in Zaire, Gabon, the Ivory Coast, Ghana and Kenya, and special trade representatives frequently travel to

other states. Intense Diplomacy

During the past two years, Israe-li diplomacy has been intense in an effort to renew relatious in black Africa. The Foreign Ministry's di-rector-general, David Kimche, has made several visits to African lead-

In November, Defense Minister Ariel Sharon toured several African capitals, including Kinshasa, and signed contracts for arms sales and economic development, giving rise to speculation that formal ties to Israel would be resumed. The Israeli government's decision to annex the Golan Heights in December, however, apparently caused some countries to postpone

consideration of ties.

Late last year, Mr. Mobuta announced that he was prepared to resume ties with Israel, but not until other black African nations took a stand. Israeli sources said Saturday that Mr. Mobata appar-ently had given up his bid for a joint announcement.
If other black African states had

wanted to resume ties immediately, "they probably would have done it with Zaire," an Israeli official said Saturday night. "But we think oow that Zaire has done it, the other will have more course." the others will have more courage



FIGHTING IN LEBANON - Smoke rises over buildings in the Lebanese port of Sidon as rival leftist Moslem militias continue fighting. Police said on Sunday that three persons were killed as the militias battled with mortars, rocket-propelled grenades and machine grass.

The more you know about Scotch, the more you like Ballantine's.





1981 Outside Income Of at Least \$113,000 Reported by Reagan

WASHINGTON — President Reagan received more than \$113,000 in investment and interest income in addition to his salary last year, according to the presi-dent's latest financial disclosure re-

Mr. Resean and his wife, Nancy, also reported accepting gifts worth more than \$30,000, including two silver picture frames from Frank Sinatra and a \$1,900 Waterford crystal wine cooler.

Wallace Mr Ge

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common common according to the way with is red with in the way with is red with in the wit

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ikes to grant the linough carter by of most South to The president and other high officials are required by law to make an annual public report of their fi-nancial situation. The president's report was made available Friday the Office of Government Eth-

The disclosure form gives a general description of the president's assets, with income groups by categories, such as \$5,000 to \$15,000 and \$50,000 to \$100,000.

\$5,000 in Royalties

The president had more than \$113,000 in outside income from the investments but less than \$237,500, according to the ranges shown on the form. Most of the money came from two trusts, in-cluding one established by the president when he took office in January, 1981.

In addition to this income, the president received a California state pension of \$22,197 and nearly \$5,000 in royalties for past television appearances.

As president, he receives a salary of \$200,000 a year and a \$50,000 expense account.

The president and other White he promise to the House officials are permitted to keep items they receive as personal n material compo gifts. Any gift worth more than \$35 must be reported. It is illegal to keep gifts from foreign governments, and most previous publicity about gifts to presidents has focused on expensive jewels from foreign dignitaries.

The financial report listed five pages of personal gifts including an album of photographs of the president's Rancho Del Cielo by the photographer Alfred Eisenstaedt; two silver picture frames, with inscriptions, worth \$400 from Frank Sinatra, and the Waterford crystal wine cooler from the Amer-ican-Irish Historical-Society.

The president's major assets are the two trusts, each valued at more than \$250,000, and his Santa Barbara ranch, listed as having a value in excess of \$250,000. Each of the trusts provided the president with income ranging between \$50,000 and \$100,000 last year, producing

the bulk of his outside earnings. "The president Saturday defendand Mrs. Reagan's acceptsince of the thousands of dollars of pate in the federal scheme after c jewelry, sculptures, crystal, public hearings in which citizens

sweaters and shoes, saying: "I have never in my entire experience ever had anyone suggest to me that any contribution or gift they ever made would lead to any benefit,"

But at least a few of the friends, manufacturers and strangers who presented gifts to the Reagans in their first year in the White House said that they hoped to use his name to promote their products.

Cathy Boyd, of Bill Boyd's
Western World in Reno, said her

father sent the president the first of "our limited edition American Eagle" silver belt buckles, which retail for \$1,250. The buckle manufacturer, Robert W. (Bill) Boyd, who is running for lieutenant governor, has displayed the president's thank-you letter in his stores and used the president's name in advertising. Cathy Boyd added that she believed it had helped

Guy L. Beury, a Mechanicsburg, Pa, jeweler who says he has never met Mr. Reagan, said he took a \$400 cameo to the White House last year for Mrs. Reagan with the idea of publicizing his product. "Let's face it." he said. "You kind of promote yourself."

A White House attorney, Fred Fielding, said he reviews each gift sent to the Reagans to guard against any conflict of interest or appearance of impropriety.

By Jay Mathews

LOS ANGELES - An official

in Los Angeles has proposed a sort of Darwinian Theory of Evacu-ation in the event of nuclear at-

tack: the healthy go first, the less

In Baltimore, a plan to move

hundreds of residents to West Virginia got laughs in the City Council. In Memphis, where the plan says key city officials should get priority, there is a passionate department of the country who is a passionate department.

bate over who is a key official. In

Boulder, Colo., city fathers threw

in the towel after citizens derided

So it goes in city councils throughout the United States this

month, as civil defense chiefs

unveil their newest schemes for de-

fense against nuclear attack: "cri-

when a major war threatens has produced many questions and

some bizarre counterproposals, all

demonstrating the difficulties of

winning public support for the

evacuation proposal.

Boulder decided not to partici-

The plan to evacuate U.S. cities

fit stay behind.

the whole exercise.

sis relocation.

non Past Service



FIRST LADYLIKE - President Reagan visited the farm of Leon Wilkinson in Landenberg, Pa., after granting his permission to name a newborn calf Nancy, after his wife.

U.S. Civil Defense Schemes Draw Laughs, Boos

'As unpalatable as it may be,'

Mr. Kingsbury said in a letter to a

county supervisor, Kenneth Hahn,

"il is my opinion that the preselec-

tion of priority evacuees according

to their value to the society that

would survive the nuclear strike is absolutely essential."

clude the young and physically fit, skilled specialists of all sciences,

trades and occupations and a well-

balanced labor force. On the low

end of priorities would be the eld-

erly, the infirm, the unskilled, the

unessential and those whose pres-

ence in the relocation area would

serve only to place a burden on the

major, also suggested enlisting re-tired military personnel in the area

into a state militia to belp provide

law and order. His letter said some

evacuation might be effected by

In response to Mr. Kingsbury's

suggestion, a Los Angeles Times editorial said, "Nuclear war is no

laughing matter, but public offi-

cials go on inadvertently making

The director of the Los Angeles

bad jokes about it anyway."

commandeering pleasure boats.

Mr. Kingsbury, a retired Army

SULVIVOES.

High-priority evacuees would in-

called such evacuation planning

Federal officials want to prac-

tice evacuating key officials in Memphis this November, but the

civil defense director there, Billy

Ray Schilling, said it would be

ticklish to determine who the key

A member of the Baltimore City

Council, Kweisi Mfume, labeled as

"laughable" the federal proposal to evacuate 776 residents to West

Virginia, Gov. Edmund G. Brown

Jr. of California called plans to

evacuate cities in his state "utterly

nate itself on a Friday afternoon with no [smog] alerts in effect," he

But a Los Angeles County offi-cial has proposed a solution to this

dilemma: a "Noah's ark" plan, whereby only the young and the healthy would hit the highways

and the old and sick would stay

Veteran Affairs Department, Rob-

ert L. Kingsbury, said that while

his plan "may appear cool ... our

overriding concern must be to con-

time life and national survival fol-

lowing the miclear strike."

The director of the Military and

Los Angeles cannot even evac-

officials are.

unworkable."

Hunting for Drug Smugglers in the Caribbean

U.S. Coast Guard Fends Off Monotony With Cheez Doodles and Coca-Cola

By Gregory Jaynes

New York Times Service MIAMI — A dead man's ashes in one hand, a slim volume entitled 'Prayers at Sea" in the other, Lt. Kurt Wellington of the Coast Guard called from the bridge: "All hands, bury the dead. All hands,

Turning from the microphone, he said: "That's a terrible pipe. I

It was a bright Saturday morning aboard the cutter Cape Current, which was beginning a voyage in search of drug smugglers. As a favor to the Navy, it was committing to the sea the remains of a naval commander's father. Then it would be off to the Bahamas and the U.S. government's war on narcotics.

The government estimates that 80 percent to 90 percent of the nation's marijuana, cocaine and methaqualone enter through Florida. As a consequence. Miami is swarming with federal agents. The Coast Guard alone has 16 vessels on the lookout for narcoties at a cost while under way of \$2,000 to \$3,000 an hour, and soon it will have 21. The Coast Guard says it makes one drug seizure for every three or four patrols, and seizures that fetch 10 tons of marijuana are

But commoner still are the long days on which nothing is sighted, the boat drones on and the crew wrestles with monotony. Here is an account of one such voyage:

partment, Eddy S. Tanaka, told Mr. Hahn simply: "The voluntary relocation of the 7.3 million Los Angeles residents to host areas in

the oorth and southeast could not

be successfully accomplished." He suggested reviving a public shelter

Distasteful

Lake County Civil Defense, Bob Webb, said he considered sugges-

tions like Mr. Kingsbury's "dis-tasteful," but said he felt that some

evacuation planning was necessary

in the face of Soviet efforts to ar-

range the orderly evacuation of

their cities in times of international

In Memphis, local civil defense

planning has suffered from the ef-

forts of the U.S. Defense Civil Pre-

paredness Agency to compile sepa-rate state evacuation plans.

Memphis "would probably bead across the border into Mississippi

instead of going north through Memphis to designated areas in Tennessee," Mr. Schilling said.

But I don't know what they'd do

if they got to the Mississippi bost

areas and nobody wanted them."

Residents of suburbs south of

In Gary, Ind., the director of the

program instead.

The crew got into fresh blouses and gathered in a knot on the fantail, each sailor slack in the knees to counter the roll. Then, while the lieutenant softly read a psalm, Chief Petry Officer Johnnie Long emptied the urn into the ocean. Another crew member fired three rounds from an M-16. The burial was done, and the crew got into

shorts. In the afternoon it became a blood-boiling day. Ballyboos, or halfbeaks, skipped across the Gulf Stream, upright on their tails. Flying fish flew by. And 14 hash marks on the smokestack marked the number of marijuana seizures the boat had made since October.

Off the bow, a Haitian boat appeared. Wooden and rotting, it sloshed along beneath a pathetic sail made from mattress ticking. It's not a nice thing to say,

said a fireman, Billy Yopp, "but I hate to board them because of the smell. They'll put 50 people down in the bilge, and that's where they use the bathroom ton." Lt. Wellington had radioed Mi-

ami to board the Haitian boat when it reached Biscayne Bay, so the Current passed it by. The the Current passed it by. The handful of Haitians on deck lonked startled when their captors blithely sailed away. The Coast Guard crew went east toward Nassau, where the lieutenant had told the crew there would be no liberty, and the Haitians went west toward Miami, with 30 miles of liberty

Toward evening the cook, Butch Dunham, said evenly, "I've been burning food for 19 years."
He addressed himself to veal. These kids don't like veal," he said. At 39 years of age, the cook is the oldest in the crew. All of a sudden, the veal before him suffered an avalanche of processed cheese and tomato sauce. "What you've got to do is cover it up," the cook

The second oldest on the boat is Chief Petry Officer Long, who is 30, and who, like the cook, is a man of tattoos. The word "ani-mal" on his right bicep is a de-scription of his behavior as a uth. The name "Shirley" on his left arm has been covered with an eagle. And on his chest, where it used to say, "Property of Janet," a rose covers the broken romance. and the property now belongs to "Mommy." He figured no woman would object to Mommy.

"We had a young boy going steady and he wanted her name, Ann, on his arm," said Mr. Long. From experience, the chief petty officer warned the boy that once he was tattooed, be would lose the girl. It happened just that way.
"He had to go down and get a bat
tattooed over Ann," Mr. Long re-

called, "Fit perfect, though."
The Current is 95 feet (29 meters) long and 20 feet wide. It was commissioned in 1953 and vibrates powered by two 1,200-horsepower engines. The one sign of change in faring is pasted above the head: Caution: Do not use facial tissue

or sanitary napkins in this head." The only woman on board is Seaman Francesca Bozem, who is 18. She smokes a pipe. She joined the Coast Guard "for adventure." In a heavy sea once, she fainled at the helm, but then everyone in the crew geis seasick once in a while.

The captain, Lt. Wellington, is a straight-backed Coast Guard Academy man. He is 26 and is called, by his pimpled crew, "the old man." The crew is of the fastfood generation. Members will drink soft drinks and eat taco chips for breakfast, if you let them. They do not drink coffee, and most don't smoke.

They give the cook fits. "This is giblet gravy," he said one day.
"They won't touch it." They
didn't. "These are lima beans," he said another day. "They won't touch it." They didn't.

They do eat, however, as long as it is junk. Brownies, ice cream Cheez Doodles, potato chips, Fri-tos, Coca-Colas and whatnot are what is needed "to keep fram going crazy," according to an engineer, Kevin Palecek. "I mean, look around - there's nothing to do." "When we make a bust, it's ex-

citing," said Randy Fielding, "It's a bitle scary at first, boarding, because you don't know what's going to happen, but then it's satisfying. You feel like you've done your job. The rest of the time it's like this. You stand your watch, sleep and eat. Stand your watch, sleep and eat. Boring. The days fried by, and at nigh

the stars bung in close over water the color of used motor oil. The old tub rumbled, shaking enough to threaten fillings.

9 in South Korea **Accused of Fraud**

SEOUL - Two former bank presidents and seven other persons have been arrested on charges of

and the Commercial Bank of Ko-

viding illegal loans to Chang Yong Ja, to her busband, Lee Chul Hi, and two firms that were forced into bankruptcy as a result of lend-ing frauds. The three brokers were accused of having helped Mrs. Chang and Mr. Lee in the alleged manipulation of commercial bills totaling 262.4 billion won (\$319

Once the captain anchored and gave everyone a swim. Twice boats were boarded, but nothing was found. The boys on board talked endlessly of cars, women, whisky and women. The cook talked of retirement. The chief petty officer talked of a piece of ground in Ken-tucky where he will erect tepees and log cabins and wait for the tourists to make him rich. The captain looked to the empty horizon and his future in the Coast Guard.

The head backed up. After four days and nights, the journey was complete. The two 50-caliber machine guns, the .60caliber machine gun, the three Mlos, the two 12-gauge shotguns and the four .45 pistols were stowed, and the crew drank milk and ate cookies all the way bome.

India and China To Reopen Talks

NEW DELHI - India and China will resume negotiations here Monday on a 20-year border dis-pute, but India's foreign affairs secretary has ruled out any immediate results.

Eric Gonsalves, who heads the Indian delegation, said Friday that be did not anticipate a breakthrough on the complex frontier dispute, but he said both sides have a "positive and constructive attitude." The two countries opened negotiations in December for the first time since their border war in 1962

India maintains that China occupies about 14,000 square miles (36,000 square kilometers) of Indian territory in India's western border area of Ladakh and Aksai Chin. The Chinese contend that India holds about 50,000 square miles of former Chinese territory on their eastern frontier.

United Press International

helping a couple carry ont lending Lim Jae Soo and Kong Duk Chong who resigned Wednesday as heads of the Choheung Bank

rea, were arrested Saturday along with four other Choheung Bank officials and three private money brokers. The nine were accused of pro-

along, using as much as 125 gal-lons of diesel fuel an hour, are already in custody. million). Mrs. Chang and Mr. Lee



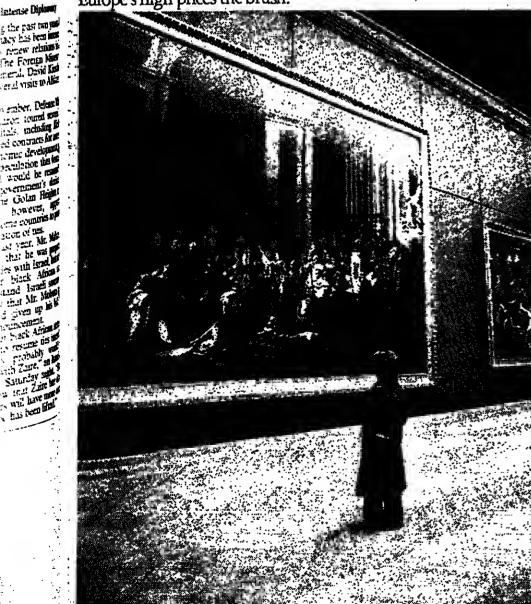
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Give the folks back home a picture of Europe and save enough on the call to paint the town.

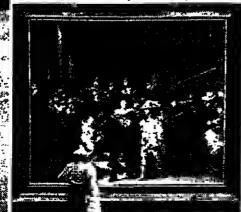
When you're having the most colorful trip of your life, let your family and friends have a "look" right along with you. Give them a call. But first, check out all the money-saving tips below, so you can give Europe's high prices the brush.



Save on surcharges. Many hotels outside the U.S. charge exorbitant surcharge fees on international calls. And sometimes the fees are greater than the cost of the call itself. But if your hotel has TELEPLAN, the way to keep hotel surcharges reasonable, go ahead and call. No Teleplan? Read on!

There are other ways to save money. Save with a shortie. In most countries there's no three-minute minimum on selfdialed calls. So if your hotel offers International Dialing from your room, place a short call home and have them call you back. And you pay for the callback from the States you have the whole picture.





with dollars, not local currency, when you get your next home or office phone bill.

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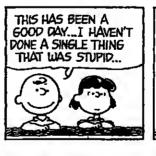
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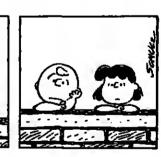












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South African Atrocities in Namibia Reported by Bishops

By Allister Sparks Washington Post Service
PRETORIA — A six-man investigative team of the South African Catholic bishops' conference that visited the war zooe of northern South-West Africa (Namibia) last September has issued a report here alleging widespread atrocities by members of the South African defense force.

The investigators, led by Archbishop Denis Hurley, president of the conference, said in the report, issued Friday, that they were told by local civilians that South Afri-

By Jack Foisie

VALLEY OF THE THOU-SAND HILLS, South Africa —

The seasonal rains that began in

October and coded recently were a

mixed blessing this year for the 24,000 Zulus who live in this valley

While the water helped the corn

to flourish, it also washed sewage

In the valley alone, more than

1,500 people contracted the dis-

ease. Thirteen of them died, and

Public bealth officials said the

outbreak occurred because of the lack of a safe water supply and sanitation facilities for the black

residents of the valley, even though the area is only 10 miles (16 kilom-

eters) from Pietermaritzburg, the clean capital of Natal province.

Second Straight Year

this is the second consecutive year

that there has been a major cholera

outhreak in several areas of South

Africa. Between October, 1980, and March, 1981, there were 42

deaths from cholera, and 3,950

By William E. Farrell

New York Times Service

barak has called oo Egyptians to

safeguard the country's oascent

democracy "against those extremists who exploit it," a reference to

Moslem fundamentalists who advocate the abolition of the present

Mr. Mubarak, in a speech before the Egyptian parliament on Satur-

day, also reaffirmed his commit-

ment to economic changes. His speech was given on the 11th anni-

versary of Anwar Sadat's thwart-

ing of an attempt by a Soviet-ori-ented political faction to force him

Diplomats, officials and politi-cal observers in Cairo felt the

speech was more significant for

what Mr. Mubarak omitted than

No Cabinet Changes

For several days, these officials

- as well as reports in the non-

Egyptian Arab press, such as Jor-

dan's - had predicted that Mr. Mubarak would use the anniver-

sary of what is called the "corrective revolotioo" to announce major

According to these predictions, the expected changes were to have signaled bow the Egyptian leader intended to effect the domestic

policies he has enunciated, but so far not implemented, since coming

to power after Sadat's assassina-

That did oot occur Saturday -

although Mr. Mubarak may still

conduct a major Cabinet and gov-

Observers feel that the presi-

dent, now in his seventh month in

office, must move sooo to imple-

ernment shuffle at a later date.

changes in his Cabinet.

for what he said.

CAIRO - President Hosni Mu-

It is not just a local problem, for

into the Umsunduze River - so

there was a cholera epidemic.

m eastern South Africa.

240 fell seriously ill.

information about guerrillas of the insurgent South-West Africa Peoples Organization.

The investigators also heard claims that people were shot and beaten to death, and that black soldiers were posted guard over families while white soldiers took the women into the nearby bush and raped them.

An official defense force spokesman, Brig. Kobus Bosman, dismissed the allegations Friday eve-

Cholera Follows Seasonal Rainfall

Into a Zulu Valley in South Africa

"Those figures are only the tip of the iceberg," said Dr. Eric J. Robbins. Dr. Robbins, a white

physician in charge of community bealth services at Edenvale Hospi-

tal outside Pictermaritzburg, has

been trying to contain the out-break by setting up clinics in areas where deaths have occurred.

patient is so rapid that even hours without initial treatment can cause

He had driven to an emergency

linic at the Meunduzi Bridge, which spans ooe of the tributary streams in the valley. All water in the area was suspected of being cootaminated with the cholera or-

ganism. Yet, during Dr. Robbins'

washing clothes in the stream, and a peddler was filling barrels with stream water to be loaded oo his

donkey cart for sale to people who

has been quoted as saying that the oumber of cholera sufferers there

could be as high as 60,000. Many

Extremists 'Exploit' Democracy

In Egypt, Mubarak Tells Nation

ment some of the reforms he has

called for. These reforms initially

gained him considerable populari-

ty among those Egyptians in this nation of 44 million people who

Referred to Extremists

vised address, which lasted 20 min-ures, Mr. Muharak said: "We in-

sist on deepening the roots of de-mocracy and safeguarding it against those extremists who ex-

This was a reference to Moslem

fundamentalists who advocate the

abolition of the current govern-

ment, which has a secular bent, and its replacement with a relig-

ious government run according to

the Moslem strictures of the Ko-

that changes at the government's

top echelons are imminent. But

Mr. Mubarak's speech Saturday contained no hints of such a

reshuffling. In recent interviews,

Reports have been rife in Cairo

In Saturday's nationally tele-

are struggling to make ends meet.

do oot live near a water source.

death." he said

"Deterioration of the severely ill

there were 100 deaths and more cials said than 5,000 cases.

October, 1981, and March, 1982, out being aware of it, health offi-

peddler was filling barrels with tream water to be loaded oo his onkey cart for sale to people who o oot live near a water source.

Dr. Fred Clark, in charge of hos-

pital services in Natal province, aware of the spread of cholera has been quoted as saying that the when public officials found that

taken sick are only mildly ill, and placed on the serving of oysters some are carriers of cholera with- and mussels in restaurants.

cautiously.

ist organization and its Commu-

Brig. Bosman said the allegations were "vague and unsubstan-tiated," and questioned why the Catholic bishops had not presented factual evidence to a military board of inquiry appointed to investigate such matters.

The investigators said in their report that they found massive ci-vilian support for the SWAPO guerrillas, who the report says are ning as a "mere repetition of the regarded as "our boys" by the lo-

Classical cholera, which devas-tated populations in the 19th and

early 20th centuries in Europe and Asia, then brought death to up to 30 percent of its victims. Bot the

modern strain, Dr. Robbins said,

is causing death to only 1 percent to 3 percent of those who become

problem began in Asia in 1961.

The disease spread westward with massive populatioo movements from depressed areas and was car-

ried by large groups of Moslems

The new cholera type is far less

deadly than the earlier strain, but it appears to spread more easily. Doctors believe that it was car-

ried to South Africa by migratory mine workers, but it was con-

trolled because mine camps -

rivers running into the ocean were

cootaminating shellfish. A ban was

Mr. Mubarak has said that he is

against change for its own sake

and that he intends to proceed

One key unfilled post is that of vice president, a job that Mr. Mubarak held from 1975 until Sadat's

Samrday's address also did not

contain any references to the re-cent Israeli withdrawal from the

Sinai, which Israel captured from Egypt during the 1967 war. Nor did it mention the flurry of activity

in moderate Arab countries — in-cluding Saudi Arabia, Kuwait and Morocco — over the question of readmitting Egypt to the Arab League. Egypt was ostracized be-cause of its peace treaty with Isra-

Instead, Mr. Mubarak reiterated

his call for Egyptians to increase

production decrease the need for

the importation of foreign com-

modities, and to reinstill a nation-

alist fervor that be expressed as:

"We are willing to die because we

The return of cholera as a world

can soldiers pillaged villages and one-sided propaganda regularly cals while the South Africans are from the insurgents, whom it portortured people in their quest for churned out by the SWAPO terror-regarded as a predatory occupying trays as ruthless terrorists trying to army.

> South Africa has an estimated 50,000 troops along the 1,000-mile (1,600-kilometer) frontier with Ancola as a defense cordon against SWAPO guerrillas who cross the border. SWAPO is engaged in an independence struggle for the territory, which was once a German colony but has been administered by South Africa since World War

> South Africa claims its troops

Eritrean Says **Attack Stalls** In Ethiopia

New York Times Service
NEW YORK - An offensive begun in February by Ethiopian government forces to crush the 20-year-old Eritrean independence movement has stalled, a spokes man for the Eritrean People's Liberation Front said in New York. An Ethiopian official in Washing-

too denied the report.

The rebel spokesman, Amdemicael Kahsai, said in an interview Friday that government forces had abandoned plans to conduct the offensive on four fronts and had instead consolidated the army for an attack on Nakfa, a rebel strong-bold in the northern corner of Eri-

The rebel forces, who once controlled Eritrea, suffered a major setback in 1978 when the Ethiopian Army, reportedly backed by 2,000 Cuban troops and hundreds of Soviet advisers, regained control of every main town. The rebels retreated into the mountains in

northwestern Eritrea.
Tesfaye Demeke, the chargé d'affaires at the Ethiopian Embassy in Washington, rejected the characterization of his government's actions as an offensive and denied that Ethiopian military ef-

'A Resounding Victory'

"It is," Mr. Demeke said, "a multifaceted program intended to reconstruct those developments that have been destroyed by the secessionists. There is no doubt we are achieving a resounding victory. Their backbone is broken, According to a State Depart-ment official, the fighting in Eri-

trea has bogged down.

The rebels' spokesman, Mr.

Kahsai, said Ethiopian soldiers
were conscripts who lacked conviction about the fighting, and he said the capture of Nakfa was intended to bolster their morale. "But the town is not significant to us any-

way," he said. Mr. Kabsai said Ethiopian military strategy was being coordinated by "as many as 1,000 Soviet advisers." He also alleged that the Ethiopian government was diverting funds to the military that were intended for humanitarian pur-

Mr. Demcke denied that Soviet advisers were being used in Eri-trea. He also denied Mr. Kahsar's allegations oo the material intend ed for bumanitarian purposes.

There have been unofficial estimates that 30 percent of Ethiopia's budget is used for the military, which is also fighting ethnic Somali tribesmen seeking independence in the Ogaden region of eastern Ethiopia.

An official of the United Nations Disaster Relief Organization has said that famine and internal conflict seriously affect 4.8 million people in Ethiopia. He said the United Nations has estimated the cost of its aid programs at \$213

Italy Will Try 31 On Terror Charge

ROME - An investigating magistrate has ordered 31 persons to stand trial on charges of belonging to the leftist guerrilla group Front

The 31 charged Friday include Roberto Rosso and Maurice Big-nami, the alleged leaders of the group, which was formed in the early 1970s and is allied with the Red Brigades. The trial is expected to begin late this year. At another hearing, 17 persons

were sent for trial in connection with the 1980 shooting death of Walter Tobagi, a political com-mentator and expert on terrorism for the Milan daily Corriere Della

regarded as a predatory occupying trays as ruthless terrorists trying to eliminate their democratic opponents and take over Namibia on behalf of the Soviet Union.

At a news conference Friday, Archbishop Hurley conceded that the Catholic investigators had not found direct evidence of atrocities by South African forces and had only the verbal allegations of people with whom they had spoken. But he said the accounts they

heard "had the ring of truth about them." Many cootained an impresare protecting the local population sive amount of circumstantial de-Archbishop Hurley said the con-cern of the Catholic bishops' conference was aroused early last year when one of its officials toured

Namibia and reported hearing

many complaints of troop atroci-

As a result, the conference which represents leaders of the Catholic church in South Africa and neighboring territories — assigned six senior members to in-

In addition to Archbishop Hurley, the members were Archbishop George Daniel of Pretoria, Archbishop Peter Butelezi of Bloem-fontein, Bishop Mansuet Bryase of Eshowe in Natal, Bishop Manfred Gattshalk of Oudtshoom in Cape Province, and Monsignor Marius Banks of Volksrust, Orange Free

They visited Windhoek, the Namibian capital, then spent four days traveling in the northern war zone, where they spoke to 180 persons and conducted 17 detailed in-

The report states that the group found fear of the security forces among the local population to be pervasive. Emergency laws empower the security forces to detain and interrogate people without charges, and this is accompanied by beating, torture, spare diet and solitary confinement, the investiga-tors said.

"Reports indicate that in searching out SWAPO guerrillas the security forces stop at nothing to force information out of people," they wrote. They break into homes, beat up residents, shoot people, steal and kill cattle and often pillage stores and tearooms," the report said. "When the tracks of SWAPO

guerrillas are discovered by the se-curity forces the local people are in danger. Harsh measures are inten-sified. People are blindfolded, tak-en from their homes and left beaten up and even dead by the roadside, Women are often raped. There is no redress because reporting irregularities or atrocities to commanders is considered a dangerous or fruitless exercise."

The investigators said: "We were told that school inspectors will not travel by official transport nor accept an army escort. The im-age of anything official or connected with the army is either too hate-

ful or too dangerous."
Referring to South African claims that SWAPO is a Communist organization, the investigators say that while it receives arms supplies from Communist countries and has absorbed some ideological rhetoric, most people they spoke to regard it as primarily a national liberation movement.

Whatever the Marxist tendencies of SWAPO it seems to be a movement with powerful popular support, inspiring bittle apprehen-sion in the majority of Christians in Namibia and looked upon as certain to win any free and fair elections held under United Nations supervision." they conclude.



A city in northern Guangdong province lies submerged after torrential rains.

Death Toll From Southern Chinese Floods Is Put at 330

HONG KONG — Flooding in the southern Chinese province of Guangdong has left about 330 people dead and tens of thousands homeless, according to reports reaching Hong Kong on Sun-

day.

The flooding, set off by a week of heavy rain and described as the worst in the area in this century, centered on two tributaries of the Pearl River, the Bei Jiang and the Xi Jiang. The highest waters were reported to be in Qingyuan county, 95 miles (150 kilometers) north of Hong Kong.

The Hong Kong newspaper Wen Wei Po said that, based on reports from the province that could not be immediately confirmed by officials, more than 8,000 people remained in danger, many

clinging to roofs. The paper said that in the Shaoguan area, which includes Qingyuan, 30,000 buildings were destroyed, nine bridges crumbled and dozens of dikes washed away.

In Yingde county, the paper said, 5,000 buildings were destroyed and rail links to the north

were cut off. Another Hong Kong newspaper, Ta Kung Po, and 24 inches (61 centimeters) of rain fell in 11

hours Wednesday in Qingyuan, the heaviest rainfall on record. Several thousand soldiers reached the area with emergency supplies, according to reports from Canton, the provincial capital.

Vegetable and pork supplies to Hong Kong were disrupted.

China Trims Party Bureaucracy, **Appoints More Deng Supporters**

By Christopher S. Wren New York Times Service

PEKING — The streamlining of China's swollen bureancracy has been extended 'o the Chinese Communist Party, where the 30 departments of the Central Committee are having their staffs

The announcement was made Sunday by the Chinese news agen-cy and also reported by the official People's Daily. The news agency said party appointments have gone to supporters of Deng Xiaoping, China's paramount leader, and es-pecially of his protege Hu Yao-bang, the current Communist Par-

In one of the more significant moves, Hu Qili, the energetic may-or of the industrial city of Tianjin, was named the new director of the Central Committee's general office. Mr. Hu, who is relatively young at 53, was purged during the Cultural Revolution with Hu Yaobang and was sent for re-education

Wang Zhen, a former deputy premier, was also named the new director of the Central Committec's party school, which trains promising Communist functionaries, or cadres, as they are called in China. Mr. Wang's reputation as a troubleshooter suggests that the school might be overhauled.

lost his post as director of the school. Mr. Hua, whom Mr. Deng ousted as the party chairman in June, 1981, was last reported in the hospital for an unspecified ail-

The Chinese news agency said that the streamlining of the Central Committee's 30 departments was proceeding along with the restructuring of the government ministries under the State Council. The latest announcement named heads of only 13 departments, some of whom retained their posts, but that is partly because some departments, such as one dealing with foreign intelligence, are con-

On May 4, the Chinese government announced a reshuffling that left only, two of the 13 deputy premiers with their jobs. The anconncement said that 13 ministries and other departments were being combined into seven organiza-

The new appointments an-nounced in the Central Committee include at least foor party officials who worked for Hu Yaobang in the Youth Federation. Besides Hu Qili, they are Deng Liqun, head of Propaganda Department: Yang Jingren, head of the United Front Department; and Hu Sheng. who becomes director of the party's history research center.

chool might be overhauled.

Hu Sheng and Feng Wengbin, a moderate who will head the comrumors here that Hua Guofeng mission empowered to collect hisdraft the party's resolution last June that pointed out Mao's shortcomings. In addition, the party named Li Qi, a former deputy calture minister, to direct the party literature research center, and pro-moted Hu liwei from editor in chief to director of the People's

Daily.
All these appointments appear to strengthen the grip of Deng Xi-aoping and Hu Yaobang over the party's propaganda apparatus. Xiong Fu has been retained as the editor of the party ideological journal. Red Flag.

Another change has put Du Runsheng, an experienced agronomist, as head of the rural party research center for the Central Committee's secretariat. The post is significant because it helps set aggi-cultural policy, and is particularly important at a time when China's 800 million peasants are benefiting from greater profit incentives.

The Chinese news agency re-orted that the number of department heads and deputies in the Central Committee had been trimmed by 15.7 percent and their average age lowered from 64 years

The People's Daily called the new appointments a good beginning, but added that more efforts had to be made to overcome the rampant problems of inefficiency and overmanning and to bring in younger officials

Sri Lanka Opposition Complains of Corruption

COLOMBO, Sri Lanka though national elections are still more than a year away, the ruling

United National Party appears deeply concerned over opposition charges that corruption is rampant in the country.

The party has called on its leader, President Junius R. Jayewar-

ic, to conduct wide inquiries, if occided, into the actions of Cabine ministers and other public offi-cials, members of Parliament and chairmen and board members of state institutions.

In an election campaign more than five years ago, the party promised to wipe out the corrupion that it charged had developed because of the centralized economic policies of the government of Sirimavo Bandaranaike, then the prime minister. The Jayewardene party charged that the Bandaranaike government's highly restrictive import policy and other practices had paved the way for politicians and officials to profit.

Mrs. Bandaranaike, the leader of the Freedom Party, charges that the United National Party's open economy and laissez-faire policies have opened the doors to largescale corruption.

Policies initiated by the government in 1977 have led to huge development projects, financed with

The Communist Party's only member of Parliament, Sarath Mutteruwegama, said at the last budget debate that more than 30 percent of foreign assistance was lost through kickbacks, commissions and waste. Finance Minister R.J.G. de Mel, who was present, did not deny the charges, opposition members say.

At a news conference last month, Mrs. Bandaranaike implied that the government's reaction to charges depended on who was in-

She spoke after Amra Daniel, a member of Parliament from the

discovery by customs officials of undeclared gold bars and watches valued at \$100,000 m his baggage on his return from Singapore. Op-position members charged that he had been sacrificed by the ruling party because he was a political novice, but that a different deci-sion had been made in a case involving allegations of corruption in the award of two contracts by the Agriculture Ministry.

A Cabinet committee compris-

ing President Jayewardene, Prime Minister Ranasinghe Premadasa and another minister investigated the charges, questioning the agri-culture minister, E.L. Senanayake, and the administrative head of the ministry, Ranjan Wijeratne. The committee concluded that there was no evidence of corruption, although Cabinet procedures for awarding contracts had not been Mr. Wijeratne resigned, but Mr.

the Health Ministry.
Opposition members charged that Mr. Schanayake's political im-

portance was also underlined by an indemnity bill recently passed by Parliament. It specifically pro-tects him from criminal and civil prosecution for his role in having political opponents arrested in racial riots nearly five years ago, provided that he is deemed to have acted in good faith.

In its anti-corruption drive, the governing party has ruled that if an inquiry reveals that a party member has not adhered to the required standard of conduct or that a member is not free of suspicion. the member would have to resign from public office or face dismissal from the party.

Since the ruling affects only party members, the government is considering giving wider powers to the bribery commissioner to investigate the assets of all members of Parliament.

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May Be Pushed in U.S. By Philip J. Hilts ondary Schools for the State of

want Egypt to live on."

Speaking at a conference at the WASHINGTON - A major re-National Academy of Sciences last versal in mathematics and science week, Mr. Brown said there "is a requirements for high school gradnew momentum building among uation may be beginning across the United States in response to the states for increasing compe-tence in science and mathematics." "scandalous" state of math He added: "California and Flor-ida, which led the trend to abanand science teaching, according to B. Frank Brown, chairman of the Governor's Commission on Sec-

Study of Math, Science

don graduation standards, are now leading in the other direction by proposing the enactment of new evels of excellence for graduation from high school."

In California, Gov. Edmund G. Brown Jr. is proposing that every student have three years of math and two of science before getting a diploma. In Florida, a similar proposal would raise the requirements to four years of math and four years of science, Mr. Brown said.

Solid Consensus Frank Press, president of the National Academy of Sciences, said there were similar movements

in Texas, Georgia, Minnesota, Michigan, North Carolina and other states. In summarizing the two-day convocation Thursday, Gerard Piel, publisher of Scientific Ameri-

can, said that "a warm and solid consensus on the facts of this crisis was achieved." He said there was agreement that students were becoming scientific illiterates and that there was a "scandalous" shortage of science and math

Though state and local governments have begun to react to the problem, participants in the concrence disagreed on the size of the

federal role in solving it.

Administration officials at the meeting said that the U.S. govern-ment should not be looked to for solutions. "We disagree with those who say that the federal government should be ultimately respon-sible for the problem," said Edwin L. Harper, the White House do-

The Reagan administration has cut proposed sharp cuts in science education funds. Mr. Harper said industry must do more to help. Others at the conference dismissed the idea. "It is unreal to

think that business will contribute

significantly to the solution of this

By Stanley Meisler Los Angeles Times Service

TORONTO - The U.S. ambassador to Canada, Paul H. Robin-son, has provoked a flury of controversy with a series of speeches criticizing Canada for not spend-ing enough money on defense. Mr. Robinson, the chief fund ra-

iser in Illinois for Ronald Reagan during the 1980 presidential campaign, is a 51-year-old businessman without previous diplomatic experience. His speeches have so irritated the Canadian defense minister, Gilles Lamontagne, that he told Canadian journalists: "As an ambassador, I think, he should know better than to criticize or judge the country he's in."

That kind of reaction finally persuaded Mr. Robinson to be less outspoken. While defending his right to speak out on an issue that, because of joint defense treaties, concerns the United States as well as Canada, the ambassador said be has decided to drop it from his speeches. On defense, he said, he is now simply quoting passages from President Reagan's speeches about

expansion.
It is right and proper to raise

the issue up to a point," Mr. Rob-inson, who served as an officer with the U.S. Navy during the Korean War, said in an interview this week. "I have not, in my opinion, gone beyond that point ... I have raised the issue to a level of discussion, and it's time to drop it. Good men who would agree with me are also prideful men."

Resentment Continues

But the decision to drop the issue has not curbed the resentment. A related controversy arose when Mr. Robinson was quoted as having told journalists in Hamilton, Ontario, last week that he personally believed that Canada spent "too much on social services." The implication seemed to be that Canada should shift its priorities from welfare to defense.

In the House of Commons on Thursday, Ed Broadbeat, leader of the New Democratic Party, called on the government of Prime Minis ter Pierre Elliott Trudeau to protest this remark as an interference

Outspoken U.S. Ambassador Provokes Uproar in Canada the menace of Soviet Communist in internal Canadian politics, son of failing to understand or While the external affairs minister. Mark MacGuigan, acknowledged that the remark was "borderline," he said the government would oot protest because the remark could be dealt with "by the normal political and free speech process of this

The quoted remark, however, prompted another member of Parliament from Mr. Broadbent's party, Pauline Jewett, to issue a press release urging Mr. Reagan to recall Mr. Robinson because he "interferes too much in Canadian affairs, has too many opinions, is insulting and patronizing to this country and its people."

Mr. Robinson, however, insisted that he was misunderstood in Hamilton. He said at a luncheon meeting of Mr. Trudeau's Liberal Party in Toronto the next day that he was expressing the need for cuts in welfare programs in the United States, oot Canada.

Despite this clarification. The Toronto Star, which has been feuding with the ambassador for several weeks, kept up its attack in an editorial, accusing Mr. Robin-

appreciate the fine line between interference and legitimate diplomatic activity." Although the Trudeau govern-

ment insists the military can do its job, many Canadian analysts agree with Mr. Robinson that the Canadian forces are inadequately equipped and manned to fulfill Canada's role within the North Atlantic Treaty Organization and the North American Aerospace Defense Agreement. A Canadian Senate subcommittee, for example, recently urged the government to increase the number of its troops. But there is still a good deal of annovance about criticism coming from a U.S. ambassador.

'Ambassador Robinson zîros from speaking engagement to Rotarian hunch faster than a speeding malaprop," wrote Alan Fotheringham, the acerbic columnist of the oewsmagazine Maclean's "His tongue waggles at both ends, hinged in the middle. He dispenses advice as if it were Ronnie

Reagan's hair rinse. The height of emotion over the ambassador's campaign was prob-

The Toronto Star, Canada's largest oewspaper, ran a story across the top of its front page about an argu-ment between Mr. Robinson and John G. Miller, the Star's deputy managing editor.

In the article, Mr. Miller wrote that he had been offended by a speech on defense and Communism that Mr. Robinson made to the annual dinner meeting of the Canadian Press, the country's cooperative news agency. Mr. Robinson, according to the editor, criticized Canadian newspapers for de-voting more space to inflation if it to the Soviet arms buildup. a call to arms for Cana support his own narrow the world," Mr. Miller will be after dinner, when Mr. Will gan to argue with Mr. France about the speech the according to Mr. Millor, Millor,

to "shove off." Mr. Robinson, in the interview acknowledged using what he called that "old naval expression" but, he said, only because the Star editor

Pioneer Data Indicate Past Venus Ocean

Scientists Speculate On 'Missing' Water

By John Noble Wilford

New York Times Sortes

NEW YORK — Although
scorchingly hot and dry now, the planet Venus may have once had a more benign climate and been covered by an ocean of water, according to an analysis of data from a

U.S. spacecraft.

The possible existence of a Venusian ocean several billion years ago inspired speculation as to whether some form of life might have emerged on Venus during its perhaps watery past. Scientists also observed that what presumably happened to cause the ocean's appearance on Venus, a phe-

nomenon known as the "runaway greenhouse effect," could someday happen to Earth.

Those conclusions and speculations were based on the discovery that the ratio of deuterium to hydrogen in the atmosphere of Venus today is 100 times greater than it is in seawater on Earth. This was considered strong evidence that Venus once had at least 100 times as much water in liquid form as it does today in the form of vapor. This would be enough to cover the entire planet to an average depth of 30 feet (9 meters).

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Pioneer Venns Data

A team of space scientists, led by Thomas M. Donahue of the University of Michigan, reported the discovery in the May 7 issue of the journal Science and elaborated on the implications in interviews last week. The scientists worked with data gathered when a probe from the Pioneer Venus spacecraft entered the planet's atmosphere in December, 1978.

One of the more perplexing rid-dles presented by Venus is that of missing" water. There is no liquid water on the surface today and very little water vapor in the atmosphere. Either Venus started ont dry or it somehow lost nearly all of its water, with the hydrogen dissipating into space and the oxygen into the interior.

cientists have tended to favor the latter explanation since they generally believe that Venus and Earth started out as almost identical twins. The two planets are roughly the same size, mass and distance from the sun. But they evolved into radically different worlds. The temperature at the surface of Venus is 800 degrees Fahrenheit (426 degrees Celsius), and the atmosphere is mostly carbon dioxide at pressures 90 times

that of Earth. To account for this difference, scientists have noted that the sun was probably cooler and less luminous at the beginning of the solar system; 4.6 billion years ago. Tem-peratures on Venus would have been low enough for liquid water brighter, according to this hypothesis, rising temperatures turned the tors, perhaps acting in an orderly water to steam and released car- sequence. bon dioxide from limestone on the surface. The water vapor and car-tion dioxide combined in the atmosphere to trap solar radiation and cause the planet to become even hotter, a condition known as

the greenhouse effect. Mr. Donahue said in a telephone interview that Venus probably lost its ocean from 4.1 billion

to 3.6 billion years ago.

Explaining the spacecraft's findings on deuterium-hydrogen ratio, Mr. Donahue said that a small fraction of the water on Earth contains deuterium atoms, which have the same atomic number but are twice of the mass of hydrogen. Scientists believe it is reasonable to assume that originally the ratio of heavy water to normal water was the same on both Venus and

Mr. Donahue raised the ques-ion, "Could Earth be heading toward the same fate, becoming

like today's Venus?" This could occur, he said, if the amount of carbon dioxide in the atmosphere were increased signifiamosphere were increased significantly by burning fossil fuels, by destroying tropical forests and possibly by the disruption of the biosphere in a nuclear war.

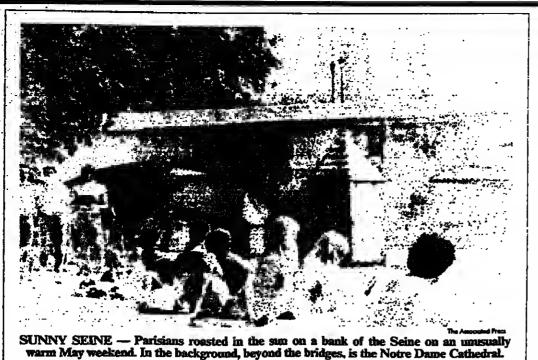
The other authors of the report in Science were John H. Hoffman and Richard R. Hodges Jr. of the University of Texas at Dallas and Andrew J. Watson of the Marine Biological Association at Phym-

Ransom Asked in Italy For Briton's Daughter

COMO. Italy — The daughter of a wealthy British anthropologist is being held for between 2 billion and 5 billion lire (\$1.6 million and \$4 million) in ranson, according to

It was the first official confirmation of the kidnapping of Gaby Kiss Maerth, 18, the daughter of Oscar Kiss Maerth. She has not been seen since she left her famicity on May 6 to attend a local school. Her father received the ransom demand and a letter signed by his daughter on Tuesday, police





Harvard Team Isolates Substance Said to Initiate Sleep in Humans

By Paul Jacobs

Los Angeles Times Service LOS ANGELES - After 15 years of research, a team of Har-vard University scientists has identified a naturally occurring human substance that appears to play a role in initiating deep sleep. The chemical, called Factor S by

the scientists, has been isolated in extremely small amounts from human urine. It appears to be extraordinarily potent: The quanti-ties needed to induce sleep in ani-mals are measured in billionths of

The researchers, John Pappenheimer, Manfred Karnovsky and James Kruger, have not tested the substance in humans and do not expect to for several years.

But in theory, it could prove to an effective sedative, particularbecause the scientists say that it does not seem to cause "rebound wakefulness" - a heightened insomnia that some researchers have said follows the use of certain sed-

French Researcher's Findings

Factor S seems to fit the description of a natural, sleep-causing substance first discussed 70 years ago by the French physiologist Henri Piéron.

Mr. Pieron suggested that sleep may be caused by a buildup of sleep-inducing chemicals in the brain. He claimed to have shown experimentally that spinal finid from sleep-deprived dogs caused prolonged periods of sleep when injected into other, rested animals.

But only in recent years have scientists been actively trying to identify the natural substances involved in sleep. Researchers in Switzerland and Japan believe they have isolated such substances. Harvard's Mr. Karnovsky

caused by a number of such fac-

The connection of Factor S to

natural sleep has still not been es-tablished beyond dispute. Mr. Karnovsky said that Factor

S had been tested in animals by a major drug company, and that the results corresponded to those of his team. The Harvard researchers reported that Factor S can extend the sleep of animals such as rab-bits, who sleep 40 percent of the time, to as much as 70 percent of Christian Gillin, chief of the

2 Hurt in Ulster Bombings

United Press International BELFAST - Bombs exploded at two private homes during the weekend, injuring two women, the police reported. A woman was hospitalized Sunday after a bomb exploded at her home in South Beland Author woman was treated fast. Another woman was treated for shock when a bomb exploded late Saturday outside a home in Magherafelt, northwest of Belfast. The police said no one had claimed responsibility for the atsleep studies unit at the National Institute of Mental Health in Bethesda, Md., said he views the Harvard findings as significant but

From that, Mr. Pappenheimer, Mr. Karnovsky and Mr. Kruger were able to isolate 30 micrograms

of Factor S - a tiny amount, but

enough to determine its chemical

Earlier this year, the researchers

reported that the substance was made up of four building blocks:

glutamic acid, alanine, diaminopi-

melic acid and muramic acid. The

last two chemicals are common in

bacteria but had never been identi-

A Swiss team, headed by M.L.

Monnier, has isolated a sleep fac-

their substance is between 100 and

peptide isolated by the Swiss.

to Factor S.

fied in human tissue.

Mr. Gillin's group at the institute tested several substances, in-cluding Factor S, on animals and failed to get the reported sleep-prolonging effect. But Mr. Gillin does not rule out the possibility that Factor S has a role in sleep. Spinal Fluid

Harvard's Mr. Pappenheimer began looking for a sleep factor in the mid-1960s. Like Mr. Piéron in France, be was able to show that spinal fluid from tired animals promoted sleep in rested animals.

To isolate the factor, he began tapping the spinal fluid of sleepdeprived goats. In four years, he collected about five quarts of fluid. That amount proved insuffi-cient, and he tried again, using the brains of 15,000 rabbits.

By then he suspected that the substance he sought was a peptide a string of amino acids - but he still did not have enough of it to analyze its composition.

He reasoned that the substance probably was excreted in urine. Eventually, a research laboratory agreed to collect and process more than 1,000 gallons of urine for the

Renzo Rossellini Dies at 74; Italian Wrote Film Scores

The Associated Press MONTE CARLO - Renzo Rossellini, 74, an Italian composer who wrote operas, symphonics and heart attack.

Mr. Rossellini, born in Ron had lived in Monaco since 1960. He wrote musical scores for 130 films, including some directed by his brother Roberto Rossellini.

Juan César Ferretti

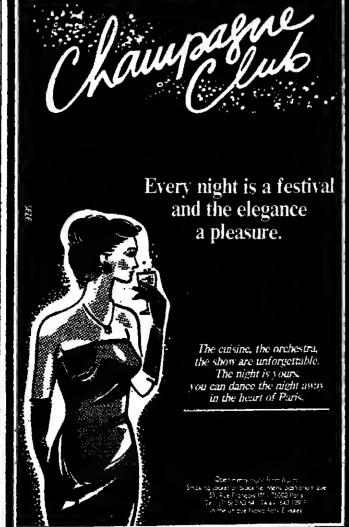
SAN FRANCISCO (AP) — Juan César Ferretti, 73, a Nicaraguan revolutionary leader with Au-gusto Sandino in the 1920s and 1930s, died Thursday during heart surgery. He had lived in San Francisco for 30 years and became U.S. citizen in 1960.

Vera Sukova-Puzejova

PRAGUE (AP) — Vera Sukova-Puzejova, 51, who in 1962 became the first Czechoslovak woman to reach the Wimbledon tennis finals, has died, it was reported Saturday.

Hugh Beaumont

LOS ANGELES (LAT) Hugh Beaumout, 72, known to a generation of Americans as the stern but loving father in the tele-vision series "Leave It to Beaver,"



Hospitals Feared Cost, Rejected Burn Victim

Case of Uninsured Worker in U.S. Shows Institutions' Financial Plight

By Art Harris

ATLANTA - As his patient lay dying in Savannah Memorial Medical Center, Dr. David Capallo frantically worked the phones to find a hospital hurn unit that would accept John Lacey, a 28year-old house painter with no medical insurance and burns over 95 percent of his body.

Dr. Capallo was turned down by 40 hospitals across the country, until Gov. George Busbee of Georgia promised Baltimore City Hospital that Georgia would guarantee \$50,000 toward his treat-

ment.

Many hospitals were full, including two in Georgia with spe-cial wards for hurn victims, but at least half of them refused to take Mr. Lacey because he had no mon-

Symbol of Crisis

"We're not condemning other hospitals for refusing to take him." said Boh Porter, spokesman for the Savannah medical center, where Mr. Lacey was taken after a cigarette ignited gasoline he was using to clean a motorcycle engine. "A burn victim is expensive to treat. The cost of his care can run into bundreds of thousands of dollars, and someone has to pay those

As he clings to life on an airand-silicone maturess in the burn unit at Baltimore City Hospital, Mr. Lacey has become a symbol of

Italy Gang Violence Kills 3 The Associated Press

tor from animal blood. Like Factor S, it is a peptide,
But the Harvard researchers say NAPLES - A garage owner was killed Saturday by pistol fire from a moving car in a fresh outhreak of gang warfare in Naples, police 1,000 times more potent than the aid. Meanwhile, authorities said A Japanese team, headed by K.S. Uchizono, has identified a they found the bodies of a policeman and his brother near Sassari, Sardinia. They were also believed to be victims of a gang. substance that might be identical

the life-or-death budget decisions that hospitals increasingly must

Among the hospitals that refused Mr. Lacey was Washing-ton Hospital Center. There was one bed left in the nine-bed burn unit, already half filled with patients who could not afford to pay, when Dr. Marion Jordan took the call from Savannah last week.

Jane Snyder, a hospital repre-sentative, said Dr. Jordan wanted to accept Mr. Lacey but had to have financial help from Georgia to do it. A patient in the burn unit since September already has an \$800,000 bill that will never be paid. Negotiations with the Washington hospital collapsed as the deal with Baltimore developed.

A private, nonprofit hospital, Washington Hospital Center accepts any patient from the District of Columbia, Virginia or Maryland, "no questions asked," she

"We don't have unlimited mon ey or taxpayer funds to fall back on, and we were faced with possibly spending all our charity money someone thousands of miles away," she said.

No Health Insurance

"We were mighty worried and thoroughly disgusted that no one would take him because of money," said Gail Bone, president of the Atlas Painting Co. in Savan-nah, the firm that has employed Mr. Lacey for five years as a \$5.50-an-hour painter. Last month, he declined to sign up for company health insurance because he could not afford the payments of \$45 a

Mr. Lacey was in danger of in-fection, and probably death, if be had not been moved to a burn center the night he was injured, Dr. Capallo told an aide to Rep. Ronald B. Ginn, Democrat of Georgia, who was trying to help Mr. Lacey from Washington.

Study Finds Alcohol Use Is Rising And Tastes in Drink Are Shifting

GENEVA — Increases in average per-capita alcohol consumption in recent years have been accompanied by a change in drinking tastes, according to the World Health Organization.

Wine drinkers in countries that traditionally have preferred

wine are also drinking more beer and spirits, and wines and spirits have grown in popularity with beer drinkers, the WHO study said. The study, presented at the recent assembly in Geneva of the presentation's 158 member nations, covered 25 countries — those n Eastern and Western Europe, the United States, Canada, Australia, New Zealand and Argentina. The Soviet Union declined to

The study found that between 1960 and 1980, the average per-capita consumption of alcohol increased everywhere except in Poland, where it dropped only fractionally, and in France.

The French per-capita consumption dropped from more than 18 quarts a year in 1960 to about 16 quarts in 1980, the study said. In that 20-year period, Luxembourg overtook France as having the highest per-capita consumption, going from about 9 quarts in 1960 to more than 19 quarts in 1980. Spain, Italy and West Germany ranked close behind France.

Luxembourg's health minister said the figure for his country was exaggerated because the statistics included take-home sales to French, Belgians and West Germans, who are able to buy alcohol

The United States, with an average of about 9½ quarts for each resident in 1980, nearly double the 1960 figure, ranked 20th. Britain had the smallest per-capita consumption, about 7½ quarts a

Finally, Cleve Laub, director of Baltimore City Hospital's chronic-care facility, called to say that the hospital would take Mr. Lacey if

Georgia would pay his bill.

Rep. Ginn's aide phoned the regional administrator for Social Se-curity to see whether Mr. Lacey qualified under the supplementa security income program. No, it was determined, his unemployment benefits would put him just over the limit. Then she phoned

Cost of Treatment

Gov. Busbee asked how much the hospital wanted, and Mr. Laub replied, "\$50,000," explaining that the cost of treating burn victims is \$800 to \$1,000 a day.

Mr. Lacey remained in critical condition Saturday night, and Dr. Robert Udelsman said he had little more than one chance in 10 of survival. Only the soles of his feet and the top of his head were not burned. Not only are costs for treating

burn victims extremely high, but

space is at a premium, hospital officials say. Studies show that there are about 71,000 people burned badly enough each year to require

With tighter budgets and government cutbacks in reimburse-ments to hospitals, administrators are grappling with more decisions like those in the Lacey case, ac-cording to Jim Houy, vice presi-dent of the American Hospital Association, which represents 6,000 of 7,000 hospitals in the country.

Civil Guard Barracks Attacked in North Spain

SAN SEBASTIAN, Spain -Two Basque separatists opened fire with handguns on a Civil Guard barracks in the northern town of Onate, but caused no injuries, police said. Civil Guard members returned

the fire, repelling the gunmen, po-lice said Saturday. The incident



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Herald Tribune

Requiem for an Airline

"It's hard to fathom," said a Braniff pilot on learning that his company had suspended operations. "You can chalk this one up to deregulation." Others point to the airline's creditors, who were unwilling to add to Bran-iff's \$733-million debt. Still others blame American Airlines, which fought hard to grab a troubled carrier's customers.

But in one sense, the pilot was right. Deregulation gave Braniff the latitude to make errors, mistakes by management that proved fatal in the unforgiving climate of a recession. Such freedom is what free enterprise is about, and it is difficult to believe the country would be better off without it.

Braniff's collapse can be traced to a deci-. sion in 1978 to expand as rapidly as the airline deregulation law allowed. Before deregulation, an airline had to have government permission to fly new routes. Such applica-tions were usually held up for years by challenges from competing carriers. But the new law let Braniff grow, in months, from a regional airline serving the U.S. Midwest and Latin America to a giant carrier among major cities on four continents.

With success, argued Harding Lawrence, the airline's chairman, "we will be selling Braniff to all the world." It failed. The ex-

pansion was poorly planned; hundreds of millions of dollars were lost flying nearly empty aircraft to cities where Braniff was anything but a bousehold word.

Last year, a new management backpedaled furiously. It abandoned hopeless routes and beavily discounted fares on marginal routes. But American, a bealthy rival, matched the discounts. Last month's lease of Braniff's Latin American routes raised some extra cash, but not nearly enough to cover losses. Braniff's creditors lost patience. A reorganization is still possible, but not likely.

Travelers will not suffer much; other carri-

ers will fill the gap. If the loss of Braniff jobs is blamed on deregulation, then the new jobs at upstart airlines like People Express and Air Florida must be credited to deregulation. In any case, it is not the government's duty in a free economy to guarantee total employment in any particular industry.

No one should take pleasure from Braniff's troubles. Workers' lives are being disrupted, investors' capital lost. But without the possibility of failure, there is no way to penalize inefficiency. A Braniff kept alive by government patronage would be even worse than a Braniff in bankruptcy.

THE NEW YORK TIMES.

Mr. Smith's Tin Ear

Let's say it straight off: There was nothing illegal about U.S. Attorney General William French Smith's \$16,500 investment in an oil and gas tax shelter last year, which made him eligible for \$66,000 in tax deductions. Every taxpayer, including the attorney general, is entitled to take advantage of provisions in the tax code to maximize deductions and minimize tax. No one has a duty to pay more tax than the government requires.

Still, we think the attorney general showed poor judgment. He is both the government's top legal officer and a political appointee. As a legal officer, he is called on to defend Internal Revenue Service determinations that deductions should not be allowed on investments like these; and the theory justifying the deduction on this arrangement was described by one attorney hired to defend it as "most adventurous." He has indicated that he would withdraw himself from this case, but even so we wonder whether it is appropriate for him to take a deduction that an IRS ruling has opposed.

Even more important, by choosing personally — this was not a blind trust transaction — to make a \$16,000 investment that qualifies him for a \$66,000 deduction, Mr. Smith

has shown a tin ear for the sound of such a transaction to the ordinary person in these difficult times. Tax shelters may be familiar stuff to most of Mr. Smith's friends. But they are not for the vast majority of Americans. Mr. Smith's action will make it a little harder for administration supporters to convince voters that the primary motive behind its policies is not to further enrich the rich.

This case will lead some to ask why there should be tax shelters at all. The answer is that the tax code is complex and that, legislators' intent aside, ingenious tax lawyers and accountants will seek out loopholes that rich taxpayers can take advantage of. But loopholes that have been discovered can also be closed. This case may well give impetus to efforts to eliminate many tax shelters.

The administration, to its credit, has betrayed an unease with shelters. IRS Commissioner Roscoe Egger has made it a high priority to crack down on tax shelters he considers abusive. Some of the supporters of the Reagan tax cuts argue that one good effect is that they reduce incentives for such investments. Mr. Smith's action, unfortunately, sends a different message.
THE WASHINGTON POST.

Other Opinion

Virtually Civil War in Syria

The regime in Syria and its security organization seem to have the country back under cerbated the hatred felt by the members of the Sunni faith who make up the majority of the population, and this feeling will intensify

as details of the way the Hama revolt was mercilessly suppressed gradually seep out past the official curtain of silence. The overtvisible security measures throughout the country seem to confirm the view of many Syrian intellectuals that the country is now virtually in a state of civil war.

- From the Neue Zurcher Zeitung (Zurich).

LETTERS

Fear in Iran

Regarding "Stories of Fear and Violence From Inside Iran" (IHT, April 21): J. Michael Kennedy quotes a diplomat to draw paral-lels between cruelty and torture under the previous and present Iranian regimes.

This is pure nonsense. The ex-tent of SAVAK crimes over the entire period of its operation, as repeatedly being publicized by the present Iranian press, does not provide a meaningful basis for such a comparison.

Similarly, as the majority of Iranians and tens of thousands of foreigners who lived in prerevolutionary Iran will assert, the shah's repression and its intended objec-tive was profoundly different from those in present-day Iran.

By misleading readers, Kenne-dy's report damages the cause of an ever-increasing number of Ira-nians who, despite their disagree-ment with the shah's handling of Iran's internal affairs in the past, see the restoration of constitutional monarchy as the only practical solution to their country's

Unwanted Births

Regarding "More Unwanted 13) is disappointing (suggesting Births" (IHT April 17-18): The the influence of Testori's are editorial's conclusion that "the cheonservative art department at the Corriere della Sera). The experiment product and product the conservative art department at the Corriere della Sera). The experiment product and product the conservative and department at the Corriere della Sera). teen-age abortions and pregnan-ties does oot seem to be borne thousands of Italians at that time out by the results of a definitive were in prison or internment, or study done by Zelnik-Kantner of in exile or on the run from the

They studied the five-year results of organized family planning programs for teen-agers. Be-tween 1971 and 1976, clientele in-creased from 300,000 to 1.2 million, contraceptive use increased 50 percent and use of the pill and IUD increased 150 percent.

With such impressive advances it would be reasonable to expect improvement in the pregnancy picture. Despite this (or because of it) premarital intercourse increased 41 percent and unplanned pregnancies 45 percent.

The problem is that cootraceptive devices have failure rates. In the hands of children, the error rate increases significantly. The initiative of parental notification holds out more hope for reducing the scope of this problem rather than continuing the failure of federally funded family planning services. The venereal disease epidemic might also be mitigated. LJ. ROBEY.

Italian Art, Culture

New Canaan, Conn.

Susan Lumsden's review of the Milan show "Italian Art and Cul-ture in the Thirties" (IHT, March

Johns Hopkins for the U.S. Na-tional Institutes of Child Health and Human Development. fascist power, including a great many artists and writers, and if Morandi survived the era it was because he was totally unpolitical and totally immersed in his work.

ELAINE F. GROSSO.

Arms-Sale Record

With engrossing front-page articles about the Falklands, Iran, Sinai and a new birth-control pill in the April 21 edition of the IHT, it would have been easy to overlook the small article in the lower righthand corner of Page 2.

If the "Center for Defense Information" is reliable, the United States in 1982 will set a world record, surpassing even the Soviet Union, of \$30 billion in arms sales to other countries, including new customer China; Latin America and South Asia, which will receive sophisticated weap-ons heretofore banned to them; and 28 out of the 41 militarydominated governments in the world with records of violating citizens' rights.

Shouldn't this article have been featured on Page 1?

FLORENCE A. LILJANDER.

What's a Room?

I was intrigued to read in your news item on the 1980 U.S. cen-sus (IHT, April 21) that 24 million had one or more rooms.

In the International Edition

Seventy-Five Years Ago

May 17, 1907

1907: San Francisco Corruption

NEW YORK - Great interest is shown throughout the country over the developments in San Francisco, where the notorious political boss, Abraham Ruef, pleaded guilty to the charge of extortion, and promised to reveal instances of the astounding corruption that has made San Francisco the worst canker spot in the United States. Ruef wept in court after his humiliating address. He was cited before the grand jury to make the promised disclosures. The public prosecutor states that Mr. Schmitz, the mayor, who is under an indictment similar to that of Ruef, will also plead guilty. The country hails with debight the prospect of the establishment of honest government in the city.

Fifty Years Ago May 17, 1932

1932: Japanese Assassination

TOKYO - Bombs and revolvers were used by a group of Japanese militarists who shot and mor-tally wounded Tsnyoshi Inukai, Japanese prime minister, and created a brief reign of terror in Tokyo. Entering Inukai's residence in two groups, six meo broke into the prime minister's room brandishing revolvers, and a number of shots were fired. The murderers then marched out of the house and went to the headquarters of the military police to surrender. It seems the outbreak, which came without the slightest warning. is of purely political significance and designed by military extremists to force what they call "purification of the government," under the di-rect control of the Mikado.

WASHINGTON — The president of Argentina, Leopoldo Galtieri, placed his country in the center of the world stage six weeks ago. Who is he, and why is he behaving this way?

Though many compare Galtieri to former Argentine President Juan Peron, Galtieri is neither a strongman nor a leader

ther a strongman nor a leader who has popular support. The president — 55, son of an Italian immigrant, lieutenant general and commander in chief of the army — is the visible head of a coalition of divergent interests of the military. Some observers believe that since the takeover of the Malvinas, as the Falkland Islands are because in America. lands are known in Argentina, Galtieri has become more a

spokesman for that coalition than a key decision-maker. He has been president for barely five months. In December he took the office away from his friend Gen. Roberto Viola in an

The coalition of interests that removed Viola is an odd one from the point of view of the political dynamics of the military, which is still the only operative political force in Argentina.

In this coalition, nationalists, traditionally concerned with territorial claims and inclined to encourage a protected economy, have united with advocates of a free market system and practical adherence to some of the Reagan administration's policies.

The cement of this unwieldy union is anti-Communism and the refusal of the armed forces to account for the thousands of people who have disappeared without a trace in Argentina.

Galtieri's coup was well received by U.S. officials. Viola was considered, both in Buenos Aires and in Washington, as inefficient and too committed to Argentina's traditional foreign policy of nonalignment.

During a trip to Washington last fall, just before the coup. Galtieri signaled his intention of realigning Argentina's foreign

policy with that of the United States. U.S. officials hoped that Argentina would stop voting with the nonaligned group in the United Nations and that the country would help U.S. efforts to combat revolutionary Marxism in Central America.

The Malvinas crisis proved the incompatibility of the foreign policy objectives upon which Galtieri's coalition was mounted: assertive nationalism in territori-al disputes on the one hand, and assisting the United States on the

other. Since reclaiming the is-lands, Argentina has seen its rela-tions with Washington deter-iorate while, out of necessity, good relations with Cuba, Nicar-

By Mario del Carril

agua and other Third World powers grow in importance. The other conflict of the Gal-

The other conflict of the Gal-tieri union came to a boil before the Maivinas crisis. In late March, popular discontent with the government's austere eco-nomic policies exploded and the regime responded with a brutal crackdown. According to some

leaders of the Radical Party, there were even signs of prepara-tions for two rival military coups. it was at this moment that Galtieri decided, at the urging of Adm. Jorge I. Anaya, commander in chief of the navy, to take the Malvinas. He escaped from a domestic political dilemma into an interactional contract.

international one.

He has done things like this before, though on a lesser scale and without loss of life. Last year, when he was commander in chief of the army, on his own au-

terlocutors, I find that human be-

Pérez de Cuéllar: 'Filling a Void'

By Stephen S. Rosenfeld

UNITED NATIONS, N.Y. -Javier Pérez de Cuellar is a glass of fresh mineral water in a business running to flat ginger ale. He is an engaging and articu-late man, ready to accept the Ar-gentine-British crisis as a test of the United Nations' capacity to

serve world peace.
Pèrez de Chéllar, 62, is a child of the United Nations, a diplomat and international lawyer who was Peru's permanent repre-sentative and then a high func-tionary, lately undersecretary for political affairs, before winning election as socretary-general.

The Falklands-Malvinas crisis

is the first occasion that the pub-lic has had to focus on Perez de Cuellar, but he has been focusing on peacemaking for years. To him, the secretary-general's post is one instrument of UN

power, and the question is how to wield it. The UN charter en-dows the office with only limited and vague powers, but the posi-tion has "tremendous moral powers." He cites Franklin D. Roosevelt's conception that the secretary-general should be an "international moderator." Among his predecessors be prefers Dag Hammarskjöld, for "his capacity to put aside his problems and concentrate on translating French poetry into Swedish." Pérez de Cuéllar escapes at the end of the day into music and books. He also admires the way Hammarskjold "enhanced the functions of the secretary-general. He was a bold ings are all the same when they are defending their interests. A lot of emotion and a lot of distrust don't help, but both countries seem interested in a peaceful solution, and they are being as helpful as possible."

He acknowledges that this cri-sis is not the ultimate test. The

secretary general. He was a bold man. The secretary-general must always fill a void when other ordispute is of a certain size, the violence has not become irrevergans of the UN cannot act."
In the Falklands-Malvinas crisis, Pérez de Cuellar deferred to sible, the parties have reason to want a neutral to twist their want a neutral to twist their arms, and the superpowers, not being directly involved, are letting him do his work.

A success would show the Reagan administration that the United Nations is not a "zoo," as a member country, the United States, conducting its own diplo-matic initiative. But once the United States got out of the mid-dle, Pérez de Cnéllar took up the slack. His goal was not to be a

one insider puts ir. It would show the Third World states — and not only them — that the quiet ways of the secretariat may be able to accomplish what loud remediator or arbitrator but to of-fer good offices, "to be ready with some alternative." He had the advantage, he says, of having observed what worked and what didn't for Alexander solutions cannot.
Perez de Cuellar and others at Haig. With this in mind, he al-tered course, excluding from his

the big glass palace in New York understand the importance of the event. It goes beyond his reputa-tion and effectiveness. If the United Nations can't do this one, that can it do?

01982, The Washington Post.

Argentina's Galtieri: The Leader Who Is Not in Control

thority he closed the border with Chile and threatened war over a minor incident. Some say he that was proving his nationalist credentials, others that that he acting on impulse. Perhaps both explanations are right.

When the Argentine armed forces were busy fighting guerrila violence in the late 1970s, Galtieri commanded the 2d Army Corps in Rosario, a large river Corps in Rosario, a large river port city. He did not acquire a

reputation for ruthlessness or cruelty as did other commanders, nor did he acquire a reputation for intelligence. Within the poli-tics of the military, he was contics of the military, he was considered a moderate.

Galtieri, a large and robust man with very white hair—he was called "Albino" in the army—spent a year training in the United States in the early 1960s and grew fond of that country. In Argentine terms, he would be described as campechano, which means frank, open, good-hearted. Possibly he is too simple and straightforward to govern a country as complex as Argentina; be does not control the coalition that brought him to power, and was obviously embarrassed

and was obviously embarrassed by his own security system when foreign journalists were kid-

if Argentina wins or is defeated honorably. Galtien will be a political asset; if the country is humiliated, he will lose whatever political charisma his recent use to power has bestowed upon him. But in any case, the coalition of interests that made him political-

by powerful will fall apart.
What this means is still an open question. With luck, Argentina will see an end to autonomous military rule; without it, the country will be caught in the wave of a resurgent and aggres-

The writer, an Argentine citizen, is Washington correspondent for the English-language Buenos Aires Herald. He contributed this article to the Las Angeles Times.

Failure to Restore Ties With Vietnam Compromises U.S.

discussions the issue of eventual

sovereignty and concentrating on the "procedures" of ending hos-

tilities and opening negotiations.

"Having dealt with many in-

OS ANGELES - There is an increasing chorus of opinion calling for a reappra-isal of U.S. relations with Vietnam. A num-ber of American visitors bave come away with the impression that the Vietnamese want to strike a deal with the United States.

While the visitors do not defend Victnam's record on human rights, they say that it is no worse than that of many of staunch U.S. allies. .In fact, normalized relations could go far toward ameliorating Vietnam's buman rights situation, the heart of the problem being its treatment of members of the old, U.S.-backed regime.

Vietnamese officials say they are tired of more than 40 years of conflict, and they talk animatedly of their desire for U.S. assistance. They claim more ideological flexibility than they are generally given credit for, and say they are anything but doctrinaire Mark-ists: They have faced the fact that Hanoi's allegiance to the Soviet economic model isn't rapprochement. The missing men's families, working and are developing incentives for supported by several members of Congress,

By Richard Walden and Gary Larsen

the Soviet bloc economic system, the Vietnamese see oormalized relations with the United States as a way to strengthen their

istorical independence.
The U.S. State Department has said that a political settlement is possible provided that Vietnam withdraws its 200,000 troops from Cambodia in return for a U.S. promise that Pol Pot's 50,000 Khmer Rouge guerrillas would be kept from returning to power, Washington would accept a neutral Cambo-Washington would accept a neutral Cambodia and accord diplomatic recognition to both Vietnam and Cambodia. But department officials privately express reservations about being able to keep Pol Pot from returning to power, and the Vietnamese are skeptical about Washington's promises.

The large number of U.S. soldiers still missing in action also stands in the way of a ranguochement. The missing men's families.

private sector. Although they are cons-sull exert a powerful influence against nor- and involves the United States in support Vietnam

little hope, let alone evidence, that any of the 2,500 men are still alive.

Yet another obstacle is the 1,4 million Indochinese refugees, whose existence is inter-preted by the United States as proof of a repressive Vietnamese government and given as an excuse for a tight economic blockade of Indochina. However, the sanctions may be partly responsible for the exodus. The U.S. Immigration and Naturalization Service now routinely classifies these people as economic rather than political refugees.

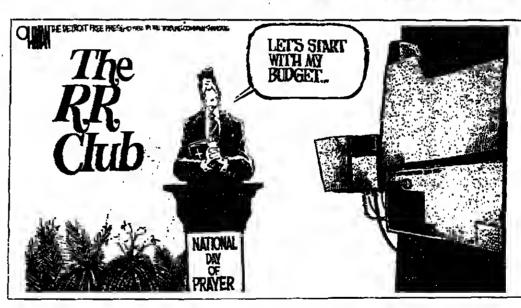
A failure to normalize relations with Hanoi compromises the U.S. national interest in several ways. It provides uncritical defacto support for Chinese objectives in the region: the encirclement of Vietnam through the continuing pressure of 200 000 tenant. the continuing presence of 300,000 troops on Vietnam's border and reinstallation in Cam-bodia of the Pol Pot regime. This virtually assures continued instability in the region

bases and limits Washington's ability to pre-vent the Russians from exploiting their sta-tus as the major source of Vietnam's eco-

In order to achieve regional stability in Indochina, the economic blockade should be lifted. Access to U.S. aid would enable Victnam to refurbish a U.S.-built infrastructure to help make Vietnam self-sufficient and reduce the flow of refugees, most of whom head for the United States. Normalization would also allow Washing-

ton to encourage an Indochina free of excessive Soviet or Chinese influence, and might nudge Victorm to emulate Yngoslavia.

Richard Walden is executive director of Operation California, an international relief or-ganization based in Beverly Hills. Gary Larsen, a member of the group's board, was a State Department area development officer in trained by their dependence on Comecon, malization. But the State Department has for Pol Pot. It also hampers U.S. efforts to article for The New York Times.



A Solution for Salvadoran Refugees

WASHINGTON — As vio-lence escalates, people are fleeing El Salvador by the thou-sands, seeking safety and asylum to the north. Nearly all make a long and painful journey through the length of Mexico, and then ille-cally enter the United States gally enter the United States, where they apply for asylum as po-

litical refugees.

The dispute between U.S. officials and advocates of asylum has been heated. The Rengan adminis-tration argues that many, if not most. Salvadorans who left their country did so for economic, not political, reasons. Those who seek asylum for Salvadoruns argue ei-ther that a of that country's citizens are in danger from the civil unrest, which is political, or that economic and political factors are so intertwined in El Salvador that they cannot be separated.

Some Legal

Some Salvadorans entered the United States legally before the vi-olence erupted and are now fearful of returning. But even if these stu-dents and visitors were allowed to remain, that could trigger demands for asylum for Salvadorans who entered the country illegally before

the violence began.

Loss in the dispute is an obvious fact: The Salvadorans are applying for asylum to the wrong country. Just as people escaping Eastern Europe are safe once they reach Austria, and those leaving Indochina are safe in Thailand or Malaysia, so those fleeing El Salvador's civil strife are safe as soon as they enter Mexico.

Mexico enjoys a stable government, has in the past extended By Roger Conner

asylum to a range of political refu-gees (from Leoo Trotsky to the widow of Chile's Salvador Allende) and has been outspoken in its concern about human rights during recent conflicts in Central America. It shares the language and culture of the refugees and can provide them with a congenial milieu while they await their safe roturn to El Salvador.

Mexico is logically the country of first asylum for refugees streaming from the stream of the same of

ing from the turbulent countries of Central America. Those who connine through Mexico and enter the United States illegally are not coming to the United States for refuge; they would not be safer in the United States than they would be in Mexico. They continue north either because they fear that Mexi-co will define "refugee" more strictly than does the United States, or because they believe they

will be better off economically. Anyone who claims that Salva-dorans can receive refuge only in the United States should try to prove that Salvadorans have been politically persecuted in Mexico.

Once it is recognized that Mexi-

co is the logical and legal country of asylum for Salvadorans, a great deal can be done by the United States to assist the refugees and to relieve the linancial burden on Maxico That takes and the salvadorance of the salvadora Mexico. That task can probably be best accomplished through the ex-perienced and respected office of the UN High Commissioner for Refugees. The United States, already the largest single contributor to the activities of that office.

would of course absorb a major share of the costs, but other na-tions would also be expected to contribute to the effort.

Some Salvadorans would, no

Some Salvatorans would, no doubt, be allowed to come to the United States. Applicants would be screened for eligibility by criteria established in the Refugee Act of 1980. If they qualified under the international definition of refugee, by showing that they had been persecuted in El Salvador for their political beliefs or actions they could litical beliefs or actions, they could be admitted. Under that procedure, legitimate needs could be ac-commodated without triggering a rush from El Salvador of those who simply saw an opportunity to

The writer practices environmen-tal law in Michigan and is the exec-utive director of the Federation for American Immigration Reform in Washington. He contributed this ar-ticle to the Las Angeles Times.

Sharing the Burden Of Health Care Cuts

By Robert J. Samuelson

WASHINGTON — One of the ideas that President Reagan cannot apparently abide either intellectually or temperamentally is the notion that government distributions that the second of the control of the co tributes massive — and often un-desirable — benefits to the middle class. In his mind, government simply taxes the middle class and

spends for the poor.
This simplification, as much as any other reason, explains the current budget impasse and the ad-ministration's failure to develop a

conservatism worthy of respect.
Perhaps the best illustration of Mr. Reagan's social blindness is his health policy. When the March consumer price index registered its first monthly decline in 17 years, health care still rose at more than a 12-percent annual rate. But the president has simply proposed cut-ting spending for the poor and eld-erly, without attacking the large tax subsidies for the middle class. Few issues warrant more atten-

tion. The aging of the U.S. popula-tion will inevitably increase de-mand for health care (the elderly mand for health care (the elderly already account for about 30 percent of health spending), and an inflation-prone, inefficient system will increasingly strain the federal budget and the private economy. Since 1950, health spending has increased from less than 5 percent of the gross national product to about 10 percent.

The administration's cutbacks for Medicare and Medicaid patients implicitly presume that their excessive use of health care is the only problem. But it isn't. The federal government will subsidize the

eral government will subsidize the health care of the non-eiderly and the non-poor to the tune of about \$24 billion in 1982. Unless this subsidy operates differently from

all others, it means that people

receive more health care than they would otherwise buy. The chief subsidy (nearly \$21 billion) is special tax treatment for employer-paid health insurance. For the worker, it is a form of compensation, but it is not taxed as income. This has encouraged the spread of comprehensive medi-cal insurance, which has made many families almost oblivious to health costs.

Virtually every serious procomvirtually every serious procompetition health proposal would reduce this subsidy. The standard suggestion is to put a cap on non-taxable payments of, say, \$1,500 a year. In practice, workers would pay taxes on income they had never taxes on income they had never taxes on the same of the same o er seen before.

The bope is that, by making some of these payments taxable, companies would offer (and workers would accept) less expensive forms of insurance that would include clude more cost-sharing. In turn, patients and doctors would become less lax in using and ordering

health services.

Some preliminary studies are encouraging. An experiment by the Rand Corp. found that workers who paid 25 percent of their medi-cal costs (up to \$1,000) used one-field that workers

fifth less medical services than those with full coverage. The president has evaded the basic issues and taken actions that appear to hurt only society's most vulnerable members. Not only is this unfair, it is likely to be ineffective. If government limits its own health costs, doctors and hospitals almost certainly will find ways to shift more of their expenses to private patients and insurance firms.

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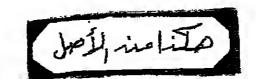
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and 1982 is no exception. Serious economic and political problems have caused even Social Democratic Premier Francisco Pinto Balsemão to warn that without increasing help from its friends this key NATO nation could become another "Poland or

Comfortable Majority

Allowing for expected hyper-bole, the premier, at the head of a two-year-old rightst coalition, ob-viously intends his remarks to be aken seriously. For it is a fact that neither internal nor external factors are propitious for the Portugal desperately needs to prepare for its 1984 integration into the European Economic Community and there is serious concern over this both in Lisbon

It is also true that despite a comfortable parliamentary ma-jority and a mandate to govern

By Ken Pottinger until October, 1984, the Demo-cratic Alliance is rent by internal conflict, uneasy relations and leadership of inconsistent effec-

In the past year, the three-par-ty coalition of Social Democrats, Christian Democrats and Monar-chists has failed to acheive much of a dramatic nature, leaving its opponents ample room for at-tack. However, the major opposi-tion Socialist Party is also preoccupied with internal problems so the anti-government offensive has been led by the Communist-backed trade union federation, CGTP-Intersindical, which has staged two nationwide general strikes this year and a host of smaller but aggravating stop-

Despite the polemical effectiveness of the general strikes, their psychological impact has been considerable and there are signs that the man in the street is growing tired of constant inter-ruptions in his daily life caused by the labor unrest that has pla-gued Portugal since the begining of the year.

More importantly, the unin-spiring performance of a series of



Antonia Ramalho Eanes

finance ministers over the past 18 months has failed to generate the confidence needed by investors and entrepreneurs nor has it motivated the labor force to boost low standards of productivity and bring about the buisness

boom that all underlying conditions show to be latent in the Porwill collapse sooner or later. The tuguese situation.

The potential for major suc-

cesses, especially in tourism, agri-culture and export-oriented manufacturing, is unquestionably large. The problems include bureaucracy, ineptness, lack of initiative, senseless obstructionism and a mindset that completely ignores simple solutions. But the difficulties are not insurmountable and Portugal as one of the least developed countries in Western Europe remains an attractive investment.

The political situation, which was chronically unstable in the first years of post-revolutionary developments, took a dramatic change for the better in Decem-ber, 1979, when the Alliance, cobbled together by then Social Democratic leader Francisco Sa Carneira swept to a general elec-tion victory and promised to change the face of Portuguese

The plan was aborted a year later when Sa Carneiro died in a plane crash. His successors have proved unable to follow in his footsteps and it is becoming inwill collapse sooner or later. The timing of this development is not clear but it probably will only happen after local elections toward the end of the year. The demise of the Alliance will naturally cause some political difficulties but a new form of center-left or center-right grouping is most

likely to emerge to replace it.

Meanwhile, a major battle is raging over revisions to the 1976 Marxist- colored constitution, which, in the heady aftermath of the revolution, incorporated a range of clauses and language inappropriate to the reality of

resent-day Portugal.
The Portuguese Communist
Party, Western Europe's most staunchly Stalinist, is leading the effort to prevent any sweeping changes to the nation's charter, which pledges to take Portugal along the road to Socialism and makes irreversible the sweeping nationalizations that followed the 1974 revolution

The most significant revision will be that which phases out the Council of the Revolution, the military watchdog body set up to oversee the return to democracy.

openings both to the Mediter-

ranean and the Atlantic, not to

mention possible future use of Gi-

braitar could well supplant some

of Pornigal's role in the past. But NATO headquarters has hastened

to assure the Portuguese military

they will neither be subordinated

to Spanish command nor will Por-

Indeed the continuing impor-tance to Washington of the Lajes base is reflected in plans to ang-ment its facilities and improve its

capacity. The nine-year usage agreement is due for renewal in

February, 1983, and the Por-

tuguese are pushing for an ex-change aid or more than \$140 mil-lion. The U.S. has offered to pay

some of this in military equipment.

a suggestion at the moment not

well received in Lisbon, which

Lajes is a key point in the move-

ment of President Reagan's Rapid

Deployment Force to the Middle

(Continued on Page 12S)

would prefer the cash.

neighbor's membership.

tugal's role be diminished by its



Francisco Pinto Balsemao

With the council's demise, the of-ficially termed "period of transi-tion to democracy" will end, military tutelage of the regime will stop and for the first time in its history Portugal will consider it-self a full-fledged democracy.

(Historians argue over whether the earlier 1910 experiment in democracy during the first republic, could really be considered demo-

But even as the country approaches this benchmark shadows are gathering over the com-

plex political system operating

Nonstop bickering among the nation's politicians is beginning to give politics a dirty name for the man in the street while huisiness leaders and important pres-sure groups are starting to ques-tion the suitability of the parliamentary system now operating and are casting about for alterna-

The only democratic option open to the doubters is the enig-matie figure of the Portuguese president, 45-year-old Gen. Anto-nio Ramalho Eanes. Elected to the post by an overwhelming majority for a second term in De-cember, 1980, President Eanes' image improves in direct relation to the declining popularity of the politicians.

There are growing pressures on President Eanes to modify the present power-sharing semi-presidential system in favor of a direct French-style presidential govern-ment, allowing strong and deci-sive centralized rule and ade-

quate measures to deal with the dramatic economic situation.

But the president, a committed democrat, has all along proved reluctant to upset the delictaely balanced system, believing that the parties must be given time to mature and establish a tradition of government along Western Eu-ropean lines. The politicians, however, have been famentably

slow in assuming their responsi-bilities, leading to the present questioning over the suitability of the system. The dangers inherent in extending exisiting presidential powers lies in the residual fears of dictatorship stemming from 48 years of experience prior to the 1974 revolution, but more impor-

tantly to presidential reluctance itself.
For Gen. Eanes is far from considering himself a "Portuguese de Gaulle" and many around him actively discourage any tendency to think otherwise.

How the Portuguese are going '(Continued on Page 12S)

Herald Tribune

MAY, 1982

Patient Endeavor Pays Off in Ties With Former Colonies

WHEN President Antonio Ramalho Eanes flew into Luanda airport last month on a five-day state visit to the former Portuguese African colony his trip marked a new and important stage in the nation's post-revolutionary foreign policy.
His Angolan visit was the culmi-

nation of vigorous and continuous efforts since he came to office in 1976, to heal the wounds between Portugal and its former African possessions — Angola, Mozam-bique, Guinea Bissan, Cape Verde and Sao Tome. The president welling with him tied up nearly \$300 million worth of contracts and Angolan officials made it clear and Sao Tome. The president seeks to underline the benefits of a new style of equal-footed coopera-tion between Lisbon and the Portuguese-speaking African world, underlining a cornerstone of the policy to establish a privileged relationship — a bridge to Africa —

It has been a long and hard struggle complicated by the often strident Marxism of the newly independent nations and the greater

Union and their allies in all of the former colonies. However, patient endeavor has paid off, and as disilinsignment with the failure of the East Bloc to deliver development and technology has grown, Portugal has beavered away quietly to boost trade and matual coopera-

The efforts were crowned by President Eanes's recent state visit to Angola when businessmen trathey were looking to Portugal as their gateway to contacts with the West. It was, as one Angolan leader put it, "an historic change of di-rection" for Angola. Lisbon's biggest drawback is its lack of financial resources to give

between Portugal and its former form to the trade and development needs of the former possessions. Last year the nationalized banking system extended \$325 million worth of credit lines to four of the ex-colonies, a generous sum for a

country with huge foreign debts of its own. In a bid to overcome these problems. Portugal has proposed to the EEC that member countries get involved in tripartite projects with Lisbon and especially Mozambique and Angola, the two largest former colonies for a major reconstruction program of the two nation's econom

Lisbon would contribute cheap manpower medium-level technology and long experience of the areas and the EEC countries. Improved relations with Portuguese-speaking Africa is a cornerstone of Lisbon's foreign policy and an important card in its bid for membership of the EEC. It also represents an important and growing market for Portuguese exports facing stiff competition on contracting traditional markets.

It should be noted that the new relationship now developing between Portugal and its former African possessions is totally different from that forged by France with its former colonics. It is quite

inconceivable, for instance, that Portugal would ever send troops into the area to overthrow a regime no lunger to its liking, as Paris did with Emperor Bokassa and the Central African Republic.

Outside of Africa, Portugal's main foreign policy thrust is to consolidate its ties to the Common Market and NATO and strengthen its links to the United States. It is also interested in improving relations with the Arab world, with

which it shares some common cultural and historical experiences, securing its oil supplies and boost-ing incipient Arab investment in Portugal. If it is having increasing success

in Africa, there is one area — Southeast Asia, where Portugal's diplomatic track record is badly tarnished. The tragic saga of East Timor, the forgotten Portuguese colony illegally annexed by In-donesia in 1975, remains a stormy and controversial subject here.

Despite years of efforts by Por-tugal at the United Nations and silateral negotiations with Indonesia, Jakarta, tacitly supported by Washington, refuses to budge on Lisbon's demands that it pull out of Timor and allow the people there to decide for themselves ent or part of the Indonesian fed-

The issues show no signs of earresolution and Lisbon unofficially admits its impotence in the face of Indonesia's de facto control. Meanwhile, the reports of deaths by starvation and war in the colony continue to reach Lis-bon, as do trickles of refugees looking for a new life. Apart from Timor, there are no

er areas of contention in Portugal's foreign policy except for some fear about its future role in NATO, of which it is a founder mber, once neighboring Spain joins the pact.

Portugal jealously guards its po-sition as commander of the important Southeast Atlantic flank of the alliance and landlord of the vital American air base at Lajes in the mid-Atlantic Azores archipela-

Spain, with its important naval bases, the Canary Islands outposts

A 'Difficult' Economic Situation Clouds 1984 Entry Into the EEC

the European Economic Community are two closely related issues generating greatly mixed feelings in Portugal at the moment.

Critics, describing the economy as "alarmingly close to disaster," decry the "weak and inadequate" policies of Finance Minister João Salgueiro and suggest that to join the EEC under present circumstances would be suicidal. In its defense, the government lays the blame for Portugal's economic straits on international fectors such as the world recession, high interest rates, oil prices and the appreciation of the dollar.

Together with Portugal's worst drought in a century, now over, continued dependence on imports for energy requirements and the negative effects of recession on hard currency earners such as tourism and emigrants' remittances, these factors have led to a "difficult" economic situation, the rul-ing conservative coalition claims.

Austerity Measures

It refuses to be drawn into disaster scenarios but a tough package of austerity measures was anounced late in April in an evident attempt to control the runaway external debt situation. This debt is likely to become even more troublesome as vital emigrants' remittances and tourism stagnate in at \$10 billion and Portugal will lat-

1982 for the first time in three

Earlier this year, Premier Francisco Pinto Balsemão presented the 1982 budget, which he said was designed to help put Portugal's house in order.

The total planned deficit of \$2.2 billion in 1982 is slightly higher than last year's and the government has scheduled a 3-percent overall reduction in state expenditure, rigorously controlled ministry by ministry, in a bid to avoid levying tax increases to cover the deficit.

External Debt

Meanwhile, with the international outlook remaining cloudy for the next two to three years, the OECD is forecasting that Portugal this year will have a low 2.75-per-cent growth rate, a current-account deficit equivalent to about 9 percent of the gross account deficit equivalent to about 9 percent of the gross national product, infla-tion steadying at around 18.5 per-cent (23 percent last year) and gross fixed capital formation of 3 percent.

There is currently much concern, outside official circles, over the rate at which the external deht is growing and the hunching up of a number of short-term repayment commitments in the next 12 months. The total deht now stands

er this year face rescheduling nego-tiations for part of this, which economists say could bring in a new round of IMF-imposed aust-erity in a bid to stabilize the sima-

The position is complicated by a less than expected rate of productive investment, highly inefficient farming, excessive bureaucracy, one of Western Europe's lowest productivity rates, widespread cynicism about political will for a genuine economic transformation and a clandestine economy said by well-informed sources to extend to 30 percent of the gross national

A former Socialist finance min-ister, Vitor Constancio, warned recently that the external-debt situation might prompt the government to sell off some of its 689-ton gold reserve, which in turn would seri-ously affect international confidence and the willingness of foreign bankers to continue lending Portugal large sums. The govern-ment declares it has no such intentions but the arguments continue and serve to underline the increasing seriousness of the position.

The ecomomic situation is gloomy and there are many leadmg businessmen whn are disillusioned about the hopes for private enterprise and development that two years ago they pinned on the

(Continued on Page 9S)

Ministry of Foreign Affairs in Lisbon: "Palacio das Neccesidades."

Humorous Approach to Serious Business

By Martha de la Cal COMEDIAN Herman José is the television rage of the moment in Portugal and somewhat

of a gadfly to its politicians. He comes on TV screens every Sunday afternoon to liven up the three-hour variety show Passeio das Alegres as "Tony Silva," an ex-chable character with outlandish socks and hair parted just above the ear, who alternately lolls in a chair or throws himself around the stage while telling outrageous sto-ries and making comments on present events and people as the show's bost, Julio Isidro, feeds him

Tony Silva is a caricature of the Portuguese who adopts all of the new fads, uses foreign words he opinion - no matter how distorted — about everything. His cre-ator, Herman José, considers Tony Silva a bit of an anarchist, saying and doing what he pleases.

He is obviously the alternate side of the character of Jose himself, a quiet, analytical young man of 28 who sits quietly and speaks softly as he expresses pessimistic views of the future.

On the show, Tony Silva also sings rock'n'roll songs to the accompaniment of tango music or waltzes, does one-man skits, imitates a wide range of accents and Witnes lets out sudden shrieks and does an occasional pratfall. He also makes gentle fun of local politicians and international leaders like President Reagan and Prime

Minister Margaret Thatcher. In one particularly funny epi-



Herman José at TV studio in Lisbon.

described how the president found three guns and revolution-promised he "would visit Portngal ary propaganda in a car.

In Portugal, where politicians do not take kindly to being laughed at promised he "would visit Portugal cording to Tony, President Reagan had praised Lisbon as "one of the nicest cities in Spain." In another skit Tony portrayed a mad, Hitlerhke German terrorist named Adolf, who kidnaps Portugal's Minister of the Interior Angelo Correia The skit was aired just af-ter Minister Correia had used shock police against workers dur-ing a general strike and had then claimed a vast insurrection had ed President Reagan. Tony Silva been imminent because police

and where the concept of freedom of expression is not yet fully understood, these stories and skits carned him the disapproval of Democratic Alliance government. José, who claims to be a political moderate, was attacked by the right-wing press and championed

some members of the conservative

He was invited to the palace by

a former newspaper editor who ex-perienced censorship under the pre-revolutionary regime - for a

José denies that he felt he was being censored when the premier him in. "I felt he was interested in me personally, and, as a newspaperman, he wanted infor-mation," José said.

He said the premier saked him why he made jokes about Americans and the local government but did not make jokes about the Russians or the Portuguese Commu-nist Party. He asserted: "I told him it was easier to criticize moderates. Reagan tells jokes. Brezhnev does not I leave the Communists alone because they have no sense of hu-

José says a politician's job has a lot in common with his as a comedian. "They have to be actors, too, when they speak and try to conquer the people; even the pre-mier told me this," he said.

He admits, however, that there is a certain amount of indirect censorhip in Portugal. He realizes that with 70 percent of the television audience hanging on his every word, the government cannot be happy when he starts criticizing m. "It is not worth the trouble to start lampooning certain people," he noted.

Show on the Road

He added: "I would not think of making a joke about President Eanes. He is treated like a saint by the press, so they would attack me. And, if I started lampooning Communist leader Alvaro Cunhal, I would have trouble with the work-

José does a one-man show he takes on the road through towns and vil-(Continued on Page 12S)

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PORTUGAL

Agriculture Plus Tourism: Elements of 'New' California?

By Jill Jolliffe

ISBON - Apart from the benefits that Portugal will receive, the impact of its projected EEC membership will be severe on certain sectors of the economy, particularly agriculture, perhaps forcing many of the country's 800,000 farmworkers to leave the

In these circumstances, political leaders are anxious to promote the country's economic strong points, which include tourism. If they bave their way, Portugal could become a European leader in this

The popular image of Portugal as an agricultural country is inaccurate — only 27 percent of the workforce derives its living from agriculture, while income from agricultural production constitutes an even smaller percentage of the gross national product — 13.7 percent. Moroever, Portugal imports most of its foodstuffs.

One of the reasons for this mistaken image is the attention focused on the dramanc struggle for agrarian reform waged by leftist farmworkers during the 1974 revolution. And the agrarian question still occupies disproportionate space because neither centuries of wrangling over it, nor the revolution that promised to resolve it, succeeded in remedying agricul-ture's fundamental problems. Por-tuguese agriculture functions well below its potential.

Basic Problems

The agrarian reform effected by the revolution in the southern Alenteja zone brought social justice to farmworkers, in terms of guaranteed access to the land, decent wages and fixed employment, but failed to tackle basic technical problems. Alenteja soil is generally poor, with climatic extremes, drought and sudden frosts being two of the worst enemies. Wheatgrowing has been encouraged at the expense of a greater diversifi-cadon of crops, and the basic problem of irrigating the Alentejo has not been tackled. The social organization of agricultural labor changed after 1974, without profound changes in land use pat-

For political reasons, the conservative Democratic Alliance government reversed many of the Alentejo land reforms after it came to power in 1979 and a large per-centage of collectivized land has now been returned to its former

Whereas landholdings in the

patchwork of small plots owned by peasants, inherited and divided over generations. Here the land is more fertile, but the walls that separate family plots and impede the development of modern farming techniques are mental as well as obysical. Many small enterprises will almost certainly collapse with EEC entry unless they have the benefit of a long transition period.

Tourism Potential

Given the problems of Portuguese agriculture, it could be argued that perhaps the country should abandon pretensions to being a successful agricultural producer and concentrate on areas of proven success, such as tourism. Antonia Barreto, the controver-

sial former minister of agriculture under the Socialist government of 1976-77, doesn't agree. He thinks the country should base its future on developing both its agricultural potential and light industry. Dr. Barreto is the man who drafted the law to break up many of the collectives and return land to private ownership. At the height of the battle over agrarian reform, his name was denounced on street walls all over Portugal.

He does not agree with the way his law has been applied since the Democratic Alliance came to pow-er — "they returned the land to friends, political clients and absen-tee landlords," he says — but has in any case abandoned political activity for writing. He was recently commissioned by the Catholic University of Lisbon to direct a research project on Portuguese land reform between 1974 and 1976. The result is a nine-volume study, ready for publication, of which Dr.

Barreto wrote two volumes, He believes that with sound direction Portugal could become agriculturally self-sufficient within 20-30 years (including nonfood products such as resin, paper, cork) and could even approach food self-sufficiency.

Fishing Industry

The Portuguese fishing industry is producing at half its capacity, he claims, while in the last two dec-ades around 1 million hectares of pasture land has been lost, "Portugal has the lowest rate of irrigated land in Europe. Moroever, some of the dams built in recent years were highly politicized — their re-sources were not actually used," be argues. "We should stop building big dams in favor of small ones, with which we could irrigate much south have been traditionally on a of the Alentejo and double or

dividuals or the Communist-led duce wheat cultivation and only collectives), northern Portugal is a produce it on appropriate lands." produce it on appropriate lands."

Most observers agree that the grains they grow locally. Portugal dairy industry faces disaster when Portugal joins the European Community unless urgent measures are

At present, Portuguese milk is more expensive than other European milk and there are shortages for several months of the year, whereas the rest of Europe has a milk surplus. One of the reasons for this is that Portuguese milk consumption has risen drastically in the last 15 years, a byproduct of social rev-

The large majority of Por-tuguese milk producers are based in the north, owning no more than one or two cows. Their marketing infrastructure leaves a great deal to be desired: Women daily carry milk cans on their heads to market, where it may be stored one or two

The tomato-pulp success story points to the new roads that Portuguese . agriculture could explore, even as it is adjusting to the demanding EEC transition.

days before sale, "As far as the dairy industry is concerned, we should wait a few years before Portugal opens its frontiers to Europe, and negotiate special conditions, Dr. Barreto claims.

Another sector that will be under pressure is the wheat industry. Again, only a long transition period will allow it to enter into Enropean competidon with a minin-

Although a high percentage of agriculture is based on grain production, Portugal produces only about 20 percent of its domestic needs and imports the rest, princi-pally from the United States. Portuguese wheat prices are equal if not higher than EEC prices, while yields per hectare are low.

EEC members are obliged to large scale (whether owned by in- triple production. We should re- pay a levy on the "hard" grains they import from the United States to supplement the "soft" keting.

will thus switch to importing its "soft" lower-quality wheat from France or Spain, buying "hard" grain at the higher U.S. price. Two ajor efforts will be needed in this in the Algarve. field - a drive to increase local Quality, Not Quantity

yields, and a tough attitude by Portugal's EEC negotiators to ensure adequate protection for local

One field where Portuguese agriculturists have proven their poten-tial is in the tomato-pulp industry. The quality, price and volume of tomato production is competitive with that of Italy, Europe's bestknown producer, which, as an EEC member, receives subsidy of

If Portugal received this subsidy would become the cheapest world producer of tomato pulp. The future of this industry will depend on hard bargaining by Portugal's EEC negotiators — a process that has barely begun. Govern-ment critics are alarmed at the failure of the Democratic Alliance government to begin the serious work of negotiating the most trou-blesome of the EEC dossiers, although the government publicly espouses a policy of rapid EEC entry, scheduled for 1984.

\$200 per ton.

The critics claim that the government has for domestic purposes negotiated the easiest of the dossiers (the government announced in February that five dossiers had been completed) but that by doing these first it has reduced its bargaining power on the questions that count, such as agriculture, textiles and labor.

Orchard Products

The tomato-pulp success story points to the new roads that Por-tuguese agriculture could explore, manding EEC transition.

Portugal produces excellent market-garden and orchard prod-ucts which, allied with advanced marketing techniques, could be-come export products in high demand in Europe.

Luxury tropical fruits could also be produced, as experiments have shown. "You don't see Portuguese strawberries on sale in downtown Brussels. Why not?" a Western diplomat asked. "Northern Europe imports its out-of-season fruits and lettuces from the U.S., but Portugal could supply early strawber-ries, citruses and melons."

One reason is Portugal's lumbering, bureaucratic, economic infrastructure: There is no tradition of quality and quantity control, attractive packaging and quick mar-

The potential for market-garden products is a favorite theme of Michael Stilwell, a long-time English resident of Portugal whose family manages the five-star Penina Hotel

An enthusiastic advocate of Portuguese tourism, he sees no need for Portugal to enter into the mass tourism field as Spain has, "Portugal offers quality rather than quantity tourism, the basic reason being that the country's infrastructure is not big enough to go for quantity and, besides, mass tourism would destroy the country's attractions."

Last year Portugal had 4 million tourists - half of its own population — putting a great strain on the country's resources. Each year there are shortages of basic products like bread, milk and butter at the beight of the season, forcing the country to import to fill the

Mr. Stilwell believes that if the country's agricultural resources were properly exploited and market-garden products encouraged, there would be a more harmonicus balance between tourist and agri-cultural development. The conditions are here for Portugal to become another California if things were tackled on an organized scale," he claims. "Instead, our botels serve asparagus imported from Spain.

Since the conservatives came to power in 1979 they have opted for a policy of quality tourism, ex-pressed earlier this year when Tourism Minister Nandim de Carvalho decreed that visitors to Portugal must have a minimum of \$75 on them to enter, plus enough to support them for each day of their

Puritanical Restrictions

It was not a high amount, but was expressly intended to discourage youthful backpackers, and reminded some observers of the puritanical restrictions in force before the 1974 revolution when tourists were warned, for example, that they should not wear bikinis on Portuguese beaches.

Despite a decline in tourism during the turbulent post-revolu-tionary years, Portugal has benefit-ed from the influx of youthful tourists interested in discovering the many intrinsic virtues of Portuguese culture. They may not contribute much in net revenue, but as one journalist remarked, "the hitchhiking backpacker of today is the bank manager of tomorrow, and many young people who gain

TRIED AND TESTED: For some tasks, the old methods are as efficient as the new, Here a Portuguese farmer works in an orchard outside Lisbon.

an affection for Portugal will re- run pousadas still offer a good inturn to spend money in the future.

The quality of tourist facilities is such that Portugal can cope with both the young tourist exploring the world cheaply as well as the retired executive who wants comfort and clean, efficient service, without resorting to mass tourist facilities such as those in Spain.

Although prices have risen steeply in recent years, the state-

ternational bargain. Usually situated in historic buildings, these tour-ist inns offer impeccably clean and attractive rooms with restaurants that serve specialties of each re-gion. Within the same town the backpacking executive-to-be can find a clean room with running water, breakfast included, for a few dollars in a pension or youth hostel. He can eat well at a local tavern for a small outlay.

Although some sections of the Algarve coast, such as the area aroung Albufeira, have been aroung Albufeira, have been spoiled by uncontrolled tourist de-velopment, Portugal has been saved the worst excesses of mass tourism and can obviously lay plans for this growing sector. The ideal day will be when the student tourist and the retired executive can enjoy locally grown asparagus in their respective pension or pou-

Result.

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PORTUGUESE ECONOMY: RECENT DEVELOPMENTS

The Partuguese economy faced in 1981 a difficult process of adjustment to strang internal and external shocks. Domestically, the worse drought of the past fifty years, which hampered agricultural and energy production, was registered giving raise to increased imports of these goods.

On lap of this, several major externol factors affected the Portuguese economic situation in the past year: slow rates of growth-following the second oil shock-in our major trading partners, the raise in U.S. interest rates, which Iriggered similar movements in many European countries and led to the dollar appreciation.

The international recession together with the maintenance, and in some cases strengthening, of protectionism, particularly against textiles, had negative effects on Partuguese exports, tourism and emigrants' remittances. Besides, the soaring of the dallar had a strong direct impact an the Partuguese external debt service and indirectly, due to the apenness of Partuguese economy, an domestic prices. This implied the need to raise subsidies to public enterprises, mainly to those which import essential goods—oil, cereals, etc., in order to prevent the rise in import prices to spill over fully into domestic prices, thus further aggravating inflation. These large subsidies together with the increase in public debt services—in part due to the dallar appreciation—were the main causes for the worsening of the public sector imbalance.

In fact, as a consequence of the adverse international environment and unfavourable weather conditions, besides structural difficulties, the Partuguese economy recorded a certain deterioration in 1981, reflected in the worsening of the external current account and the public sector deficit, in the stagnation of autput and in a slight increase in inflation.

Thus, the Government is concerned with pursuing a palicy of cautious expansion, aimed at-according to the priorities set in the Plan for 1982—reducing the public sector deficit, improving the external current account, curbing inflatian and developing productive investment, in order to ensure that employment will, at least, be maintained.

The main objective that the Government aims at achieving in 1982 through budgetary palicy—and which underlies the guidelines far the General State 8udget (GS8)—is the reduction of the current deficit, in real terms, and hence of the overall public sector deficit.

The reduction of current public sector deficit—envisaged at approximately 3.5% of GDPmp—is based on measures which favour reducing expenditures rother than increasing tax receipts. These, in the absence of a sigificant expansion in output, can hardly rise substantially without a further increase of the tax level (estimated at 31.5% for 1982). Hence, budgetory palicy in 1982, in so far as tox receipts are concerned, involves a set of measures which aim simultaneously at improving the equity and efficiency of the Partuguese tox system.

The reform of the Portuguese tax system aims at rendering it more effective as an instrument for support of the economic development effort; an the other hand, the Government aims at simplifying it in anticipation of the future Portuguese integration into the EEC. With this objective, studies are underway aiming at the implementation of a value added tox (VAT) and at the introduction of a global income tax.

On the expenditure side, the proposed measures rely an stringent austerity rules, aiming at cutting down nonessential expenses. They also assume better management af Government services and agencies. This shall imply the eliminatian of some governmental bodies, and an effective mability of civil servants among agencies or even among subsectors of the Public Administration. The Government deems it possible to achieve an average increase in productivity of the administrative public sector of the order of 3%, implying savings of about 2.4% in the current expenditures projected

Budgetary policy will play a central rale in checking domestic demand, as deemed absolutely necessary in 1982, in order to reduce the imbalance in the external current account—from around 10% of GDPmp in 1981 to 7% of GDPmp in 1982. The achievement of this objective counts mainly an the increase of exports in volume. This will require a strang effort and the improvement of the external competitiveness of the Portuguese economy. Regarding the latter objective, external exchange policy will be kept under close scrutinity, in order to adjust the exchange rate to developments in the difference between damestic and international rates of inflation. However, the main problems of the Portuguese economy are of a structural nature and can only be salved by improving efficiency and increasing productive investment. Thus, Portugal will have to rely heavily an foreign investment, as a means of helping to fill the gap in domestic savings, as well as by bringing about new technologies and management practices, including international marketing expertise. The conditions affered in Parlugal to foreign investors are very attractive. They can count on high rates of return an capital, fiscal incentives, a reasonable large skilled labour force, law unit labour costs in dollars, when compared with ather countries offering similar conditions, a non-discriminatory Fareign Investment Code and a Fareign Investment Institute, that has been doing its best in trying to assist actual and potential fareign investors. In 1981 capital inflows of foreign investment have increased by 16.7 per cent, as compared to the previous year, but they reached, still, only a modest level.

As referred to in the Main Options of the 1982 Plan for the Portuguese economy, actions aiming at reducing the external current account and the public sector imbalances and at developing productive investment shall be inserted in a sustained medium-term strategy conducive to structural changes and modernization of the economy. This will require the adoption of a coordinated set of measures of budgetory, manetary, price and income policies coupled with the implementation of actions directed towards the development of capital markets. The revival of capital markets is intended as a means of increasing savings and of channelling them into productive investment.

Banco de Portugal. Research and Statistics Department.

In the whiteness of spaces, In the picturesque outline of the house against the ever blue skies, beneath the sunshine For further information, contact your Travel Ages or the Portuguese National Tourist Office. Portugal... a taste of sun

style, revealed in its fine trace...

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PORTUGAL-

'Difficult' Economy. Clouds EEC Entry

(Continued from Page 7S) electoral victory of the ruling con-

The time they say has come for government to stop leaning on the apprene slibi of international factors for the country's difficulties and come to grips with root eco-nomic ills in Portugal. Portugal, they say, may be at a crossroads in its post revolutionary economic di-rection if this is not done.

These and other problems can only become more acute under the

impact of entry into the EEC scheduled for 1984. The implications of this decision are only now becoming fully evident, and oppo-sition to the idea, previously limit-ed only to the Moscow-line Portuguese Communist Party, is spreading.

Advantages and Drawbacks

Official enthusiasm for membership remains high and rooted in emotional and political benefits for the country. Meanwhile, on hardfaced business analysis serious disadvantages to full membership are manifesting themselves, lead-ing the powerful Portuguese Con-federation of Industry (CIP) to raise its voice against entry. The confederation has warned it will use all the means at its disposal to block Portuguese membership. Its opposition is based mainly on fears that the negotiations now under way will prejudice "national interest" and that Portugal's inferior bargaining position results from too soft an approach by those re-sponsible for the entry negotia-

Behind the criticisms lies the realization that little groundwork has been done to prepare com-merce and industry for the major competition the better equipped and more advanced EEC produc-ers pose for Portugal. The CIP wants an extended period of tran-sition, as long as 10 years, before all the barriers come down, while ive governments have always plumped for rapid integra-tion in major sectors in the hope

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Ken Pottinger, Shirin Timsar. Nicholas Shakespeare, Mary Castanheira, Jill Jolliffe and Martha de la Cal are free-lance writers based in Portugal.

that benefits from regional funds and development aid will outweigh the disadvantages. Tough competition, they believe, will act as a spur to overprotected Portuguese busi-

According to Gaston Thorn, president of the EEC Commission, during a visit here last month, the EEC negotiations have now entered their final and most critical stage calling for major efforts on both sides to complete outstanding dossiers as soon as possible if Liston to both sides to be a second se bon is to keep to its scheduled 1984 entry deadline.

Easy ones like the coal and steel Euratom, regional and transport dossiers have been completed and signed. But stickier subjects like fishing, agriculture, textiles, right of establishment and freedom of labor movement, remain open and in some cases deadlocked as both sides seek the best bargain. Portugal is aware, however, that the dominant weight of the acquis communautairs will figure heavily in Brussels' favor in any conflict of

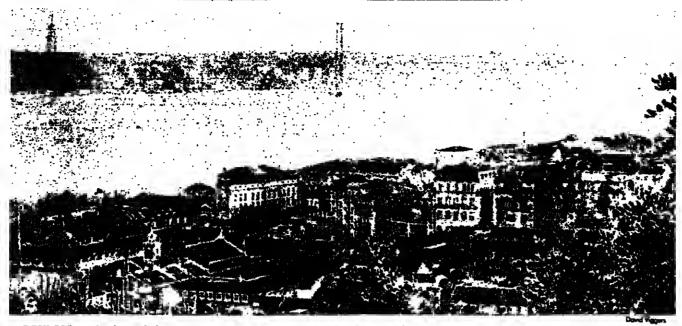
Agricultural Policy

The future of the negotiations is also to a large extent dependent on two other important issues. One is the way the community resolves its major difficulties over the budget and the common agricultural poli-cy and the other is the thorny issue of joint accession with neighboring Spain. Lisbon is adamant that its membership must not be prejndiced by growing difficulties over aspects of Spain's application to join the market. It has reluctantly accepted Brussels preference for a joint accession date for the two countries only on condition that last minute hitches over Madrid's membership will not hold up Lis-

bon's entry. As the negotiations enter their final stage the race is on in Portu-gal to prepare a backward and un-derdeveloped economy for abrupt change. The community, in an imprecedented gesture, has extended major finance and other aid to Lis-bon to upgrade key areas of the economy and create vital missing infrastructure such as an efficient road network, small harbors and communications.

There is no lack of goodwill in this effort to bring Portugal into Europe, what is missing perhaps is enough sense of national purpose to seize an opportunity for develo-pent that will never again come Portugal's way.

-KEN POTTINGER



LISBON - A view of the capital city, with the Salazar Bridge stretching across the bay. Lisbon has a population of about 1.6 million. The country has a total population of nearly 10 million.

Seafaring Tradition Is Still Alive, but Barely

ish waters of Lisbon's former Afri-

decorated for endurance. No other

tossed about in Atlantic storms in

these floating boxes. Portugal con-

trols - at least on paper - a vast

area of the North Atlantic, and its Exclusive Economic Zone

stretches all the way to the islands

of Madeira, off the Moroccan

coast, and the Azores, halfway to

North America, But once Spain becomes a full member of the alli-

ance, the protection of Portugal's

ports and sea routes in time of war

will have to be entrusted to a navy that has ships fit for the task, like

to carry out any of the tasks as-

signed to it that when the Por-

tuguese air force received its most

modern combat planes last Janu-

ary, one of the missions it was im-

mediately assigned was to protect

the Portuguese fishing fleet opera-

ting in the exclusive zone or inter-

national waters. Quite what an A-7

Corsair - a Vietnam war veteran

- is expected to do when it sees a

So ill-equipped is Lisbon's navy

the Spanish one.

By Shirin Timsar

ISBON - Most sardine gourmets in the world have always known that the tinned Portuguese variety is so much more delicious than the canned offerings of Spain
— even before the Spanish oil scandal broke ont, but even more

What generations of happy picknickers have probably not known is that Portugal has to import sar-dines from its giant neighbor in or-der to keep its canning factories from closing down.

The main reason why the Portuguese import sardines from Spain is a very human one: Portuguese fishermen do not like working at night. They simply refuse to sail without first having had their supper whereas the Spanish think nothing of it and are al-ready casting their nets at sea when their Portuguese colleagues are just sitting down at the family

Nothing could better illustrate the difference between what is an industry in Spain and a family craft across the border than this homely tale of the Portuguese fisherman and his love of earthly comforts. The shrinking size of Portugal's fishing catches is an apt symbol of the decline of what was once one of the world's great maritime powers.

Spanish trawler ripping a Por-tuguese fisherman's oets was oot The nation that gave the world Vasco da Gama, the man who discovered the sea route to India, and many other great sailors, today oo

The Portuguese military ofteo longer has a navy that can be called by that name. The toylike stress that their country is the most Atlantic natioo in Europe. The Portuguese national anthem begins vessels built to cruise in the sluggwith the words ... "heroes of the sea..." and the country's ports still handle 95 percent of the councan colonies cannot seriously be considered warships although the try's foreign trade — a vivid illus-tration of how much Portugal litermen who sail in them should be modern navy would tolerate being ally turns its back on its Iberian

Seafaring Nation

Portugal depends on the sea, and its interests continue to lie be-yond the ocean in Africa, but can it really still lay claim to the title of a seafaring natioo?

lo spite of the sea's monopoly of Portugal's trade, less and less of the country's imports and exports are carried by Portuguese ships. and the merchant fleets national-ized after the 1974 revolution are virtually bargains waiting for the highest hidder.

The sad thing in writing about the Portuguese fishing industry is that it does not really exist, at least not as an industry. It is unfor-tunate for Portugal that it has as its neighbor the biggest fishing fleet in Western Europe, Spain.

Before the mini-economic boom that followed the downfall of Portugal's long lived.dictator, Salazar, in 1969, nearly 70 percent of the protein consumed by the Portuguese came from eating fish.

Once a week, on the ruined battlements of Castelo de Vide overlooking the great plains of Extre-madura and Spain, a picturesque lishmonger in her black shawls and billowing petticoats will still come with her baskets of fish to sell to those who live in deepest Portugal. But the city dwellers, over the years, have been weaned away from fish.

The Portuguese government has just taken a step all its predeces-sors had avoided by lifting subsidies from wheat and maize for the first time in the country's modern history. It took the decision both because it could no longer afford the subsidies and because it wanted to prepare the Portuguese for the day that they join the Common Market. The effect of the latest measures will be to raise the price of all food in the months ahead.

When Portugal does enter the EEC, the Portuguese might well rue the day that their governments neglected the country's fishing fleets when they discover that they cannot afford meat but no longer have enough boats to fish with. Having to watch helplessly while

their richer European partners take advantage of the ocean, they might also remember and curse the monarchs who let. Portugal's naval

Estoril: Sunny Haven For Jobless Royalty

Special to the JHT

THERE'S a lot of unemployment in my profession," a king of the Belgians once said. Royal redundancies have been

especially bad this century. Two world wars claimed the thrones of four emperors, 11 kings and jeopardized a system of government, which had ruled the world for cen-turies. "I wouldn't be king for a hundred pounds," says Alice to Christopher Robin, and many dis-mantled monarchs fled with little more. Some had made precantions, but without crown or country where was an exiled king to go?

The British parliamentarian Walter Bagehot wrote of royalty that "its mystery is its life. We must not let daylight in upon mag-ic." It is a reflection of their changed status that most dispossessed kings and claimants choose to bask in the sun. Since World War II, and Salazar's open-door policy to such prestigious expatri-ates, the seaside resort of Estoril has become their favorite watering-hole and graveyard.

The British started the fashion, which is ironic because, until the Duke of Windsor arrived, England's role had been to ferry royalty away. Following Napoleon's invasion, the aptly named Royal Navy had carried the Lisbon court to Brazil. In 1910, it had transported the last Portuguese king to Twickenham in England; and in 1921 H.M.S. Cardiff sailed the last Emperor of Austria to Madeira.
The tables were turned when in

June, 1940, the man who had renounced his throne for the woman he loved, arrived with her in Estoril. Two flying boats were ready to take him to England, but the Duke of Windsor, formerly Edward VIII, would not leave until he was offered a position of influence, and his wife, Wallis Warfield Simpson, received recognition as one of the royal family. While the Germans plotted to abduct him, he played golf and swam, until finally per-suaded to become governor of the

Another whose love affair became more important than his kingdom was King Carol of Romania, He escaped to Estoril in 1941 with Madame Lupescu, the red-haired daughter of a village druggist, and settled permanently after the war. Surrounded hy a miniature court, he pored over his stamp collection, shot pigeons and died leaving a 10-centime piece in does his safe. While lawyers still engage clay.

in locating a large fortune his

Only King Umberto of Italy fra-ternized with King Carol. The best loved of these monarchs-in-wait-ing, he is one of the people and his famous chuckle can be heard in

fishermen's bars and diplomatic receptions alike. In 1946, a referen-dum was held to decide whether dum was held to decide whether Italy should be a republic or monarchy. "I think it's going to be a beautiful day," he said on hearing he had lost. Having ruled for only 34 days, he left his 40 palaces and moved into the Villa Italia on Estoril's seafront. Though oot allowed to return, this tall, bald king remains particite, and disneases tiremains patriotic and dispenses titles to such notables as his doctor and receives Italian tourists, talking to them about everything ex-

The dashing Count of Barcelona, a sports fanatic and big-game hunter, also lives in Estoril. He en-joys the curious position of having been both the son and father of a king of Spain without ever having been a ruler himself. His Villa Giralda is situated appropriately in the Rua Inglaterra, for he served in the Royal Navy, and remains a keen sailor.

Another claimant is the French pretender, the Count of Paris, An azure-eyed intellectual, he settled after the war on a farm near Cintra, milking cows and tending sheep. He brought with him his wife, the author of some best-selling memoirs — who still lives there
— and 11 children.

The dispossessed in Estoril are also one large family. Almost all are related, Some argue with history, others accept it, but most suffer when history is made in their homelands without them. Few do not, deep down, share Madame Lupescu's sentiment, that "L'essentiel, c'est de vivre pour le retour."

lt has been said that monarchy

is like virginity: once lost, gone forever. Yet, as the dictators who replaced them become anachronisms, there may oo longer be a dis-crepancy in having a king as the head of a republic. Franco groomed the Count of Barcelona's son to succeed him, De Gaulle asked the Count of Paris to pre-pare for presidential election, Even Salazar thought 'there may come a time when the monarchial solution is the national solution.' These children of Charlemagne may have their feet up at the moment. It does not mean they are feet of

INVESTING IN PORTUGAL THE RIGHT CHOICE AT THE RIGHT TIME



Foreign investors are starting to turn to Portugal. Results in 1980 were more than double those achieved in 1979. And, in 1981, there was an increase of about 50 percent in relation to the previous year. Why? Because Portugal now offers attractive prospects to investors from abroad. Particularly, as regards projects for export-oriented industries.

And the reasons are easy to see: Portugal's forthcoming membership of the EEC. The very close relationship with the Portuguese-speaking countries in Africa. The important tax incentives already in force. The ability of Portuguese goods to compete on an international level. Its excellent geographic situation, which makes for quick and easy contacts overseas...

Portugal - the right country at the right time

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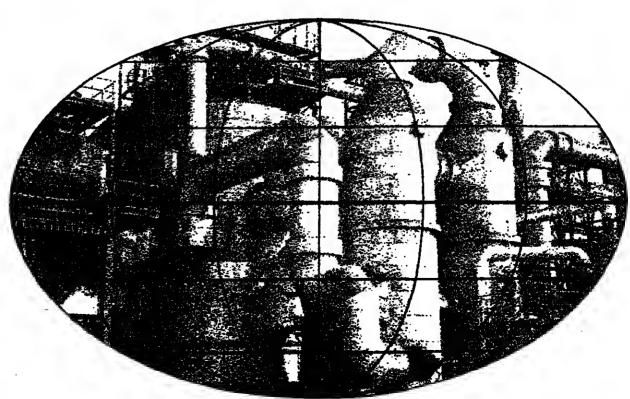
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A NEW RHYTHM FOR THE AGREEMENTS

PORTUGAL's accession procedure to the European Communities has experienced a sudden rush of lote. This is the result of several facts: an PORTUGAL's side the recent visits of the Prime Minister to a few European copitals giving strength to Partuguese "European" choice and the Government intention to assume obsolutely this choice; on the Community side the decision taken by the Belgian Chairman and the Caunal of the European Affairs Ministers to adopt a new method in the analysis of the agreements to be made.

In fact, after a period during which for several reasons the negociations had come to a stop, the decision to analyze the different questians, by groups of increasing complexity, braught a new rhythm and accelerated the whole procedure.

It has therefore been possible to isolate a few questions about which no special agreements had been made, giving them greatest significance. This was the case for the so-called first package discussed during lost February's Ministers Meeting when problems like capital movements, direct and real estate investments in Portugal and within the actual Community members were proposed; it also applies for the transportation and nuclear energy policy; economic and social development in Partugal and the urgent need to reduce the handicaps between Partugal's different areas and between Portugal and the other EEC members; Inclusion of the Partuguese escudo in the ECU and Partugal's participating in the shares of loans from the EEC among the economic and

Of course this new outline cannot elude the real problems that the future accession to the EEC represents for Partugal, but it clears the situation and assures same order in the controversial questions.

It only means - and we must remember the EEC "experience" was acquired in a very different worldly and European situation, and dealt with countries much more developed than Partugal - that the method adopted now sees the consequences of such changes for Portugal in economic, financial and social fields.

Such consequences apply for specific actions such as financing Portuguese development (transfer of economic resources to Partugal) pratecting some Partuguese economic activities (in transitory periods), providing market for Partuguese exports (elimination of certain EEC rules against same national export products), re-organizing the economical system, etc...

One third of the Partuguese exports to the EEC nowadays comes from our textile and clothing industries which require a free circulation in the Eurapean community market for otherwise these industries would be in an unacceptable position for its development and consequences in Partuguese economy. On the other hand, due to poor resources in Portugal and inevitable handicap there would not be much sense in Portugal being just a net contributor among the future "12 of Europe" and again our position should be considered with special care. As for social policy and due to the actual employment market situation within the European community members it should not be very difficult for these members to agree to give the Portuguese workers, especially immigrants, free circulation.

The agreements to be made, especially those which are decidedly important for our economic development, demand a great power of understanding and flexibility from the European community. Without it, it is hardly possible to accept that Portuguese interests will be satisfied. This means that the decisions token in a particular question, despite being the best are cannot be appreciated as a single one but, as a question which is part of a global STRUCTURE; for this reason the agreements cannot be considered definitive if a total balance is not reached.

In the same way, we intend to re-organize our internal economy system in order to obtain a more efficient Public Administration and more up-to-date industrial and new-enterprise services.

The development of these changes within the public services together with the recent acceleration of the negociations, created a new dynamic atmosphere in the process of Partugal's accession to the EEC. In this instance, if the capacity of understanding on the EEC side continues to assist (in relation with agriculture, fishing and the matter of home resources) as well as sympathy for our political projects, it is already clear that we are attaining the final aims of the negociations.

We may state with security that in the very near future Partugal will be the eleventh country Member of the European Economic Community.

Lisbon, 6 May 1982.

Secretary of State for **European Affairs** J.L. CRUZ VILAÇA

-PORTUGAL-

Sintra: Days of 'Glorious Eden' Remembered

By Nicholas Shakespeare FIFTEEN miles from Lisbon lie the samutouthed

the saw-toothed bills of Sin-tra, Byron's "glorious Eden."

Some quirk of nature whips the damp Atlantic spray over this westernmost tip of the continent. Anything grows in the tropical mist that makes the landscape, with its cliffs and cataracts, as gothic as the palaces that crest these hills - and the people who

live within

"Sintra is too good a place for the Portuguese," wrote the poet Southey. "It is only good for us Goths — for Germans or English." It has been a mecca for the English ever since some tipsy crusaders from Suffolk helped free Lisbon from the Moors in 1147, and, seasoned more with wine than piety, introduced the phrase bebido inglez, English drunkard, into the language.

Portugal's English queen. Philip-pa of Lancaster, showed more so-briety when her court settled in Sintra during the summer months over two centuries later. She even caused her husband, John I, to stop kissing his maids-in-waiting. From expeditions to Africa and India by her sober son, Henry the motifs that were later to disprace the walls of Sintra's habitable fol-

The fattest birds of paradise were not the boar-hunting nobility, but the English literati of the 18th and 19th centuries. Their love for Sintra was strengthened by a prejudice against Lisbon where the soulless embassy staff played cards and fashionable British invalids rewho hated the Lisbon fleas, al-though the fleas liked him, the streets were "fifthy beyond all English ideas of filth ... an English pigsty is cleaner."

Most shared the view held by England's wealthiest son, William Beckford, who announced, "I must go to Sintra or I shall die." It is with Beckford, the scandalous author of "Vathek," who made visits there between 1789-1799, that the place is most associated. Cold-shouldered by those he wanted to impress, the British Embassy and Portuguese royalty, Beckford be-came a professional hermit in Sintra's grottoes. He was embraced only by the gawky Marquis of Marialya, who could eat two dozen

partitidges at one sitting.
Rejected by the court, Beckford surrounded himself with a medicy of dwarfs, negresses and warbling castrati. After decorating his quin-ta of Ramalhao with oriental silks, a flock of English sheep and a sextet of musicians, he started planting hollyhocks and Indian com, which grew to amazing heights, In the garden of Sintra's most famous quinta, Monserrate, which he reated in 1795, Beckford found at last a substitute for his social ambitions and became "too much engaged in the royalties of Nature... to think of inferior roy-

Another writer was the high-nosed Southey, who dreamed ini-tially of founding a Utopia in America but in these hills "I never beheld a view that so effectively checked the wish of wandering." It was a place "that wants only fresh butter and genial society to make it an earthly paradise." Between 1796 and 1801, beneath the Moor-



poem "Thalaba" and began "The History of Portugal," his life's work. Otherwise he drank wine, ate grapes and rode a jackass (even his vacant wife was soon proficient

The only Portuguese that Byron learned on his visit in 1809 was "get an ass." Having been struck in Lisbon for making advances to

someone's wife, he came to Sintra village, "the most beautiful, per-haps in the world," and made it the first stage of Childe Hazold's

Byron stayed at a wayside in later run by a Welsh lady, Mrs. Lawrence, It was bere, in 1865 that a brace of the more talented embassy staff came to live: the dandy and writer Robert Lytton, who became viceroy of India, and the bull-fighting poet Wilfred

Lytton agreed with Sintra amazingly." He scribbled, built fire balloons and rode the perennial donkey with Don Fernando, the ex-king consort, whose legs were so long they touched the ground. Don Fernando, who in 1840 had com-missioned that apotheosis of kitsch, Pena Palace, was to marry Elsie Hensler, a Boston tailor's daughter. Though Lytton fell out with a servant over his "Yankee manners," he got on famously with Elsie and her four white dogs.

Sintra's visitors, like its vegetation, may have been larger than life, but apart from inspiring superlatives, the place did little for their writing. Byron's few stanzas and Beckford's vivacious letters are works more of curiosity than

Sintra's influence on Southey was disastrous. The only part of his life's work to be published was his manuscript of "Scraphim" in Mrs. Lawrence's lavatory, where a maid, caught in an emergency situation, used it for hygenic purposes.

Perhaps the most eternal line were inscribed on the lavatory's wall by a respectable English lady.
"I came to this place twice, for it is

High Illiteracy Rate Is Factor in EEC Talks

NO ONE knows exactly how many illiterates there are in Portugal, but the rate is estimated to be the highest in Europe around 30 percent, a matter of great concern to authorities in the European Economic Community (EEC), which Portugal is preparing to enter, and also to the Portuguese government.
"Portugal's high illiteracy rate is

an important factor in negotiations over the free movement of workers within the community," said an EEC representative in Lisbon.

The latest official figures are based on the 1970 census. At that time, coastal and interior regions in the south had the highest num-ber of persons who could not read or write. The Algarve, on the south coast, had an illiteracy rate of 37 percent and the interior of the Alentejo had 31 percent. In the city of Beja, in the Alentejo, now a center for the agrarian reform, 48 percent of the adult inhabitants were illiterate. The mountainous regions of the north — Tras-os Montes and Serra da Estrela had an overall average of 36 percent illiteracy. The big cities showed up somewhat better. In Lisbon, 18 percent of the population was illiterate, and in Oporto the percentage was 21 percent.

After 12 years, the number of illiterates remains virtually the same, but the distribution has changed. Many have emigrated to the cities to find jobs, living in the ever-growing squalor of unsanitary and unsightly shanty towns that surround each city. Thousands of others have emigrated to northern Europe, particularly Germany and France, joining the nearly two mil-lion Portuguese emigrants already there. In countries like Portugal the Portuguese who are illiterate and untrained are forced to take the jobs no one else wants: cleaning streets, working as maids, washing dishes or doing unskilled obs in civil construction with little hope of advancement.

Surge of Interest

There has been a surge of interest in education since Portugal's revolution in 1974. The number of students enrolled in schools rose from 200,000 to 1,200,0000 in eight years, creating a shortage of schools and teachers. The universities had to close their doors against the invasion of the new applicants and become super-selective. New universities have been opened in

This stampede to learn barely affected the country's illiterates, the majority of whom are over thirty and are already working and have families. They are submerged in a sub-culture where there is no tradition of learning. A few years ago, families in rural areas and villages were so poor that they could



Publications abound, but a high percentage of the population can only look at the pictures.

not spare one of their children needed as workers - to go to

Margarida, a 45-year-old maid who works for a foreign family in Lisbon, is a typical example of Portugal's illiterates. As a child she attended school for one year and a half and was not encouraged further by her family or forced to do so by the authorities; concequently, she cannot even sign her asma. Margarida began work at a maid when she was 11 years old, earning \$1 a month. "I was needed at

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home," she said. "They needed the money I earned, and my mother needed me to run errands and to take my father and brother their lunch, while they herded sheep." By the time Margarida married at eighteen, she was earning \$3 per month. She now earns \$60 a month and has no possibility of obtaining any other kind of work. Her husband completed the obligatory fourth grade and works as an assistant to a bricklayer. Her 26-year-old daughter also finished

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Claus H. Wolfram,

Acquisition Consultant

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The situation is changing somewhat now. Workers wages have risen over 300 percent as labor unions were legalized following the revolucion. Rural workers are for the first time, covered by social socurity. Farmers and small producers are getting more for their prod-ucts. Rural electrification has brought the outside world into remote areas through radio and television, inspiring young people to seek new ideas and to learn. Schools, often funded by the EEC, are being built in remote areas, at-though it is still difficult to find teachers willing to leave the cities to teach in the binterland. These changes account for the large in-flux of children in the schools, but adult illiterates are for the most part still uninterested and often re luctant to learn.

Actually, Portugal is geared to an illiterate society. Each person's obligatory identity card contains his thumb print, so an illiterate can easily complete any legal transaction simply by using his thumb print. For example, when cashing a check in a bank, the teller pulls out the ever present inked pad for fir-ger prints and the customer stamps his print. The teller verifies it with the ID card and concludes the transaction. The same procedure is carried out in government ministeries and most other places.

Many government offices have a department which offers assistance in filling out forms for those who cannot read. In the ministry, which

(Continued on Page 11S)

identify to the second

PILOTO THE COLUMN TO THE COLUM

Angola and Mozambique accom-panied by members of the govern-ment and Portuguese businessmen to promote better understanding and cooperation. He was well received and is planning a similar trip to Guinea Bissau. Secretary of State for Foreign

Affairs Leonardo Matias has visited the Brussels headquarters of the EEC where he talked with Edgar Pisani, the commissioner in charge of development, to present a blue-print for the plans for triangular cooperation. He has approached France, Italy and Sweden directly. He has also been in the Middle East. We have signed cooperation agreements with all five ex-territories. Works have been going on in civil construction for several years. We have requests from all of the Portuguese speaking countries, but we have an economic crisis of our own along with political tensions so we cannot cope alone. That is wby we are seeking other countries to join us in projects. I have oot been discouraged by their reac-tion," he said.

dent Eanes' recent trip to Angola included a promise from Angola that Portugal will participate in a \$200 million project to equip the power station at the Catambambe dam and will sell \$23 million worth of railway cars to the Benguela railroad in Angola. Portugal may start purchasing Ango-lan crude oil in September and a Portuguese company will get a ho-tel concession in Luanda. A joint Luso-Angolan commission is meet-

ing in Luanda to discuss areas of agriculture, fishing, mining, trans-port, oil, housing and public work. The Portuguese delegation is head-ed by Minister of Finance Joao In Mozambique, the Portuguese company Sonatel will participate in the renovation of a 650 kilometer extension of the railway that

links the port of Nacal with the frontier of Malawi — at a cost of \$200 million. Portugal is participating with French and Canadian companies. The bank of Mozambique and Portugal's Banco Na-cional Ultramarino have projects for technical and financial cooperatioo. The airlines of Portugal and Mozambique have just oegotiated a new agreement to pool their routes between Maputo and Lis-

bon and put on new runs.

those advantages, but we have fi-nancial limitations. So we must Pope's Gratitude Puts Focus on Fatima

By Ken Pottinger

TOORTUGAL wants back into

but as a pairmer in joint venture with the Portuguese speaking countries of Angola, Mozambique,

Guinea Bissau, Cape Verde and San Tome e Principe, to carry out projects in civil construction, chemicals, oil and many other sec-

They are also pushing hard for what they call "triangular coopera-tion", a plan whereby Portugal, with its knowledge and experience in Africa can plan projects with more industrialized countries with

financial capabilities to offer the

Ambassador Pinto de Francea, president of the Institute for Euro-pean Cooperation, said: "We be-

lieve Portugal offers many possi-

bilities that make triangular cooperation interesting. We have projects that were already prepared before African independence and a generation of technicians who have

worked in Africa. We have an in-

termediary technology that fits

well there. We produce equipment that they could use. We have a

common language, and we under-stand one another. We have all of

African countries.

Africa pot as a colonial power

WHEN Pope John Paul II recovered from the assassin's bullet last year, he said he had been saved through the intervention of Our Lady of Fatima and vowed to make a pilgrimage of thanks to the Portuguese shrine. His visit here on May 13 focused attention once again on the 65-year-old shrine, a principal place of Roman Catholic devotion in the

The sacred shrine received even more attention when the pontiff escaped another attempt on his life by a Spaniard wielding a bayonet. The pope later celebrated an openin Mass, under heavy security, on the spot in Fatima where the at-

mpt was made. Ninety miles north of Lisbon, Fatima is the center of attraction amnually to millions of pilgrims who between May and October come to celebrate the apparitions of the Virgin Mary said to have oc-

cured in the area in 1917.". More than a million people flocked to Fationa this year to participate with the pope in the annifirst appeared to three shepherd children — Lucia dos Santos and her cousins, Jacinta and Francisco

The children, from the village of Aljusterel, claimed that on May 13, 1917, they had a vision of the Virgin Mary and that she subsequently returned to them on the 13th day of every month until Oc-tober that year. Tens of thousands of people headed for the area to see the apparitions, and as news of the event spread it rapidly turned into a major religious happening.

Lucia, age 75, is the only one of the three children still alive, and she claims that it was through her that the Virgin Mary directed three messages to the world. The first was a horrifying picture of Hell and eternal damnation; the second predicted the end of World War l and the reconversion of Russia, while the third is a closely guarded Varican secret, reportedly too

The event, at first skeptically accepted by the church, later spawned a major religious group the Blue Army, an American orwhich the Virgin Mary reportedly ganization of 20 million members the doctrine will be defeated when

both died within three years of secing the apparitions and before reaching their teens, Lucia is cloistered in a Carmelite ounnery in the central Portuguese town of Coimbra. Their family homes are now a tourist attraction, as is Lucia's 90-year-old sister Maria, who 1917 to all who will listen.

For the skeptics, Fatima was a fortnitous fabrication to raily relig-ion against the Bolshevik Revolution then in full swing in Russia. It served as a focal point of anti-Communism throughout the Por-tuguese dictatorship of Antonio

combines a source of major income from tourist souvenirs and lodgings with a sense of religious

based at Fatima strongly opposed to Communism and which believes the Blue Army has as many mem-bers as the "Red Army," Commu-nists around the world.

While Jacinta and Francisco willingly recounts the events of

For believers, Fatima is another manifestation of faith and an important center of worship. For those who live in the village, it

one Portuguese businessman who had two asbestos cement plants in Mozambique, the government there is inviting Portuguese managers back to ruo their companies.

This could be the solution to Portugal's problems," he said. "We should look to Africa again to get

structing and equipping a huge ho-tel in Maputo. Mozambique did oot nationalize Portuguese compa-

nies after independence. They used Czechs and Bulgarians to run many of them, but reportedly pro-

duction is down to 20 or 30 per-

cent of what it was. According to

rid of unemployment and we would like to run the plants be-cause they are still ours," he add-Specialists from the EEC are definitely interested in the triangular cooperation plan. The only stumbling block is that Angola

and Mozamhique, unlike Guinea Bissau and Cape Verde, do oot subscribe to the home convention countries of southern Africa that receive aid to reduce their dependence on South Africa. lo spite of this, EEC representatives will meet with Portuguese technicians in Lisboo to discuss five projects under study for the five countries.

The projects include: a regional for renewable energy in Cape Verde; improvement of the navigability of the Geba river in Guinea Bissau; furnishing of water to the four provinces of San Tome e Principe; installation of a station for land telecommunications in Luanda and Lobito; setting up a microwave grid to cover the territories of Mozambique, Malawi,
Zambia, Tanzania and Zimbabwe.
The microwave grid would cost \$64 million. Approval of the final projects will depend entirely on the African countries involved.

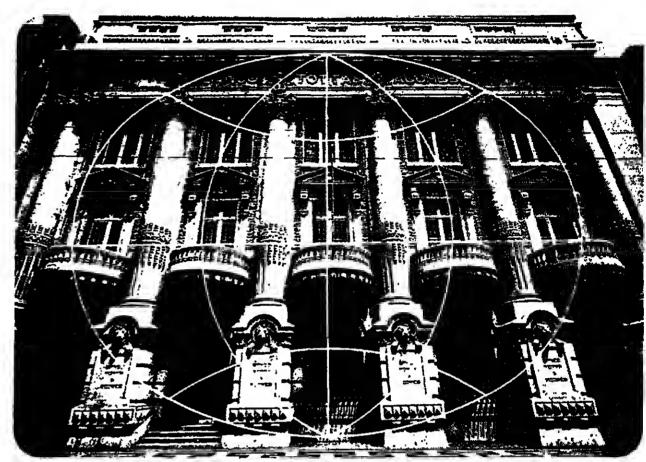
Portugal has joined FAD (African Development Fund) in order for Portuguese firms to participate in international calls for tenders on projects financed by the fund. The funding comes through the African Development Bank, Members of FAD include European industrialized nations, some nations in Asia, the United States and Bra-

The Portuguese are optimistic about their chances in Africa. There is a feeling that after seven years of independence during which there was a natural backlash of anti-colonialism against Portugal and a turning toward the East bloc countries, the Portuguese speaking countries of Africa are ready to look again to the West. "The countries are disillusioned with the East bloc because all they got was talk," said one business

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High Illiteracy Rate Is Factor in EEC Talks

issues ID cards and handles papers related to criminal processes, an ilbterate can pay ten escudos (fifteen U.S. cents) to have his forms filled in by a clerk provided for that purpose.

In the cavernous identity card bureau, there is always a long line of people waiting with their forms. A department official said that every day more than 100 people pay for the service, and in the rush time before schools open, more than 300 utilize the service. He admits that many persons pay for the service because they don't want to bother to fill out the forms themselves. "But, more than half of them are illiterate," he said. How-ever, even though the filling out of forms is made easy for the illi-terate, he must still have recourse to other persons to read for him

what he is signing. There is a thriving business for persons who take advantage of illiterates by filling out the innumerable papers and forms required by Portuguese government bureaucracy — one of the most paper rid-dled in Europe. Outside the identity card bureau in downtown Lisbon, a flock of would-be "scribes" lurk on the sidewalks and in the bars across the street waiting to pounce upon the unwary, disoriented illiterate. The police are instructed to remove these scribes,

but they usually turn a blind eye. The scribes charge anywhere from \$1 to \$10 dollars for filling out papers. Reports estimate that a scribe can earn around 30,000 escudos (\$600 dollars) per month a relatively high wage for Portugal. One scribe, who claims to have been an employee in the Finance Ministry for 30 years and whose "office" is a corner of the bar in the cervejaria (tavera) across from the identity card bureau, refuses to reveal his earnings and claims, "I am performing a public service."

Other Problems

A person who cannot read or write is affected in many other ways. Without access to newspapers, magazines or books, he is dependent on other people for his ideas: the village priest — the majority of whom in Portugal are ultra-conservative and opposed to change; state controlled television - where whatever political party in power uses it to manipulate the minds of the voters; or on political party representatives bent on formulating new ways of thinking.

The Portuguese illiterate is at a disadvantage when it comes to politics, not only because of his deficiency, but also because he was deprived of the right to vote for 50 years during the dictatorship. In lact, he has little awareness of any of his rights as he cannot read the laws, and there are no government agencies set up to explain them.
Other illiterates, especially the

communication possible bet ween the Portuguese emigrants in other countries and their families whom cannot write - the majority must communicate through another person. Emigrants, who are illiterate, also find it difficult to adjust to the unfamiliar country and to discover the rights and benefits to which they are entitled.

Simple Picasures

Illiteracy even affects their simple pleasures. In Portugal, all television programs and movies are shown in their original languages
— usually English or French with
written subtitles in Portuguese, which 30 percent of the adult population cannot read. Although almost all Portuguese workers own TV sets, even those in the shanty towns, oot all of them can come home from work and settle down in front of the TV to be entertained. Those who can't read are baffled by "Dallas" and unmoved by "Roots.

The high rate of illiteracy has, however, made television exceed-ingly important. Political parties fight to control it and to get their messages to the voters. Advertisers consider it the most important advertising medium. Newspapers have relatively small circulations; 80,000 is considered a large press run. Books have even smaller printings; 5,000 copies is average.
The illiterates also have certain impact on their environment in Portugal. Voting ballots have had to be devised using boldly printed political symbols in addition to names thus enabling the illiterates

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women, are tied to superstitious to vote by putting marks under beliefs and dependant on curan-their party's symbols. This led to deiros (healers), who dispense squabbles among the parties and remedies and spells for ills.

An unfortunate aspect of the when one minor party incorporathigh illiteracy rate is the lack of ed the hammer and cycle of the Communists in its symbol and another incorporated the clenched fist of the Socialists. Both major they have left behind. Those who parties claimed they had lost votes to the minor parties by improper identification.

The Portuguese government, as well as the EEC, is concerned by the high rate of illiteracy. The Ministry of Education is making an effort to ercadicate it A 31 member National Council for Literacy and Basic Education for Adults has been formed. The council acts as consultant to the government and carries out campaigns to convince people to attend the adult education classes that are being offered.

Promoting Literacy

In 1981, there were 499 associations set up to promote beracy.

They received subsidies totaling \$300,000 from the Ministry of Education. In 1982, the council will have about \$2.5 million to spend. The Council of Europe is belping with funding, and it is also offering technical help for a pilot project in the Mougadouro, a remote region in the mountainous oorth. By July, 1981, 1,000 adult education courses had been offered, attended by a projected 30,000 people. The council is headed by Amelia

Azevedo, a Social Democrat repre-sentative in parliament. She recognizes that it is a difficult task to persuade people to attend the courses because it means instilling a completely new memtality. "We are trying to convince them through radio and television and through the unions, Church groups and other local organizations. We

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want to show that education is necessary," said Dr. Azevedo.

Illiteracy is, bowever, only oce of the problems to be solved in Portugal. The others are acute and will be costly. Unemployment is estimated at 13 percent, particularly among women and young peo-ple seeking their first jobs. People have left the farms and drifted into the industrial cities of Lisbon and Oporto looking for jobs, but they are sometimes forced to turn to crime and prostitution. The cities are overcrowded and there is a lack of housing due to a complete stagnation of state and private construction. This has led to further growth of shanty towns and a breakdown in family life.

Welfare and State Aid

Workers' wages have risen more than 300 percent since the revolu-tion, but they have not kept up with prices. Food costs 10 times what it cost before. The social welfare system is a shambles with many collecting only small pen-sions that force them to live below poverty level. State bospitals are old and ill-equipped. Welfare pa-tients often wait for weeks or months for a oeeded X-ray or a doctor's appointment. Other hos-pitals in the provinces stand empty because doctors won't leave the cities to staff them. Pubbic schools are also scarce and overcrowded Teachers are often absent, and there is a breakdown in discipline. Many schools are now plagued by petty crime and drugs.

Dr. Azevedo admits that illiteracy cannot be entirely wiped out until these other problems are solved. "We must better conditions so that people have fewer burdens and can turn their attention to education and not use their children as workers."

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PORTUGUESE INDUSTRIAL POLICY AND **CHALLENGE OF THE EIGHTIES**

The options as regards industry imposed on Portugal by more open participation in world economy and the European space, have since the first years of the eighties been the centre of public discussion and Government action. The crux of the matter is really not only the adoption of an industrial model fitting into the new patterns of industrial development envisaged by the modern trends of international economy, the constituent elements of which are already in preparation, but also the choice of the project for society and the economic model that offers greater potentialities for the country's occurrence and social development. A propos of this, it may be said that Portugal is unequivocally in favour of the efficacy of the market economy, without neglecting the importance attributed to the social component of development.

At the moment Portugal enjoys stable political conditions, and the Government has a reasonably wide time horizon for its action. This naturally constitutes a favourable circumstance for implementing a well structured industrial policy that is not at the start affected by too marked conjunctural conditions. In the post-war decades, the industrial sector was the sector that showed the most dynamic growth in Partugal's economy. At that time basic infra-structures were laid, some projects of substitution of imports were carried out, there appeared firms with advanced economic, technological and managerial levels, and some reasonable positions were attained in foreign markets especially in labour-intensive industries and industries of a low or intermediate training and industries that the content of the property industries and industries of a low or intermediate. locical standard. The international framework of sturdy growth helped structural odjustments to achieve a certain modern Portuguese industrial structure.

In quantitative terms growth in the fifties and sixties and start of the seven-In quantitative terms growth in the tittles and sixtues and sixtues are title was very striking; the industrial product increased at an average of 10% per arraum, and export performance was also excellent. Nowadays industry accounts for 40% of the Gross Domestic Product, employs about 35% of the active population and contributes to about 3/4 of Portuguese exports. The rate of progress of certain sectors of industry did not, however, effect The rate of progress of certain sectors of industry did not, however, effect the pull on other sectors of activity (notably an agriculture and even an other sections of Industry itself) that had been hoped for by members of the governments at the time. This meant that a dualist, unbalanced structure was created, one that was little suited to permanent adaptation to the continual structural changes in demand, technological modifications, changing costs and relative prices, modifications in the comporative advantages between countries. Furthermore, industrial growth did not lead to adequate use of the existing natural resources, the network of intersectorial relations remains little developed and the degree of technological autonomy is still, generally

speaking, why tradimactory.

In various sectors of Portuguese industry there is also an excessive predominance of small and medium-sized firms (although on an overall basis the percentage of such firms is not higher than in other European countries), productivity levels are low and the quality of industrial products is insufficient and unsuited to certain demands of the most progressive markets. There is too much weight in the exports with low return-elasticity and, as regards imports, in raw materials, industrial products and equipment goods. Ton much dependence on oil as a source of energy is another negative

The balance of the present situation of the industrial sector, with dear recognition of its weak and strong points, constitutes for the Portuguese Government only the base from which to face the challenges of the eighties. It is, in fact, stressed in the important speech by Mr Bayto Horta, Minister of Industry, Energy and Exports, on Industrial policy, that the country is in a better position as regards the future model of industrial development (more compatible with small-scale production and in which the preponderance of highly capital-intensive activities will be considerably reduced, then was the case with the classical model of industrial scales. The curifix of Portuguese case with the classical model of industrialization. The quality of Portuguese manpower (in particular its high adaptability) and the evallability of natural resources capable of being developed in a far more interesting way with the discovery of new technologies are important trumps for Portugal to play in

Accordingly, as has been pointed out in this paper, Mr Baya'a Horta traced a coherent and during industrial strategy that tries to guide the sector's development according to the main bases of transformation of the country's industrial and international economy.

As was mentioned at the time, the guide lines of that strategy are as follows: Exploitation of the natural resources so as to optimize the national value added. This means better development of the metal mineral resources iron, pyrites, wolfram, of the non-metal minerals (notably ceramic) and other raw materials, in which a search for new and more advantageous uses now offers greater pote

A defensive strategy in the traditional export industries, where international demand is not very strong and there is aggressive offer on the part of new producers, with a view to qualitative evolution that can defend

the positions reached in the most developed markets: textiles, clothing, footwear and others. relapment, through on aggressive strategy, of industries in

which the country has its own technology and in which the comparative advantages are stable or capable of being extended: light mechanical and electrical equipment; transport material; power equipment; equipment for handling and lifting goods; engines for vehicles; professional and telecommunication electronics; engineering and planning activities.

-Creation of a nucleus of advanced technologies, with a view to consolidating technological autonomy in the future, according to the country's human and moterial potentialities. In this domain the industry-research structure relationship is essential, in order to potentiate possible fields of

These four major guide lines of industrial strategy must be pursued in such a way as to ensure a systematic improvement in the overall competitivity of industry and its export copacity, so as to generate a positive exchange balance that will help to remove the present financial hindrance to economic growth associated with the weight of the foreign deficit.

this on the forcefulness of private enterprise that will depend the success of implementing this strategy. The Government is fully aware of this, and is toking industrial policy steps intended to create a favourable environment for the development of private enterprise and to back up its progress under competitive conditions. The Government is particularly concerned with creating a favourable social and economic atmosphere, a substantial improvement in infra-structures, the granting of adequate forms of technological support to industry, occupational training, and the adoption of an effective system of tax and financial incentives aiming at favouring those projects which are of major interest to the country's economy.

The role that it is recognised private enterprise should play within the context of Portugol's new industrial policy is well illustrated in a passage of the Minister of Industry's speech, referring to industrial policy, in which he stresses the absolute need for "a strong private entrepreneural sector, motivated and mobilized for the main notional aims and mode up of competent, goohead entrepreneurs", while at the same time he points out that the State as entrepreneur is olimost the antithesis of the qualities of initiative, forcefulness and quick decision-taking that are necessary as the basis for an industrial

In more operational terms, the following may be indicated as political measures of some importance in the field of operation of the Ministry of Industry, Energy and Exports, with incidence on industrial activity:

— Reorganization of the Ministry, with reinforcement of its functions of orientation, information and support, particularly at a regional level, and reduction of the administrative-control function which corresponds to con-

reduction of the administrative-control function which corresponds to conceptions of industrial policy that are now outdated;

—Preparation of basic laws for framing industrial activity, namely the Basic Industry Law and the Mines Law, setting out the guide lines of policy in the respective sectors for the coming years;

—Creation of new systems of support for exports, following the driving idea of Government policy: "1982 - Export Year".

—Policies Involving a reorganization of certain sectors of particular importance in Portuguese industry, notably the textile and electro-mechanical ladustrians.

- Implementation of the Plan for Assistance to Portuguese Small and Medium Industries, which counts on the financial participation of the EEC, as part of the common action envisaged for the pre-membership period. This Plan is intended to provide financial backing for the modernization and

development of small and medium firms, improvement in monagement standards, improvement in the standard of occupational training, reinforcement of technological assistance, etc.;

—Preparation of a Plan for National Technological Development, which will be able to count an support from the Center for Policy Alternatives of the Massachusetts Institute of Technology.

As regards energy, the main preoccupation of the policy is to make energy supply more secure and to reduce dependence on foreign sources. An energy plan is in an advanced stage: it will summarize these problems and set e strategy to be adopted and the main action to be taken, having in mind a time harizon of 30 years. In this area a crucial role is played by the investments of the State sector in the energy infrastructures, though an important part must also be taken by private enterprise and/or by municipal electrical power production from small schemes or by using waste from the main activity. Reduction of dependence calls for better use of known Portuguese energy resources, power saving in all sectors of economic and social activity and, of course, the investigation of new resources. As regards this last aspect, and particularly as regards oil prespecting, a system of incentives was recently instituted that offers benefits on the same lines as those provided in other European countries.

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-PORTUGAL-

Women's Rights: Slow but Steady Progress

Special to the IHT
FEW MILES outside Lisbon,

A black-dad women, carrying baskets of dirty clothing on their heads, congregate et the river's edge to do the family's washing.

For these conotry women, whose way of life has hardly changed in the past 200 years, the enormous legal and constitutional advances made toward sexual equality since the 1974 revolution mean very little.

Portugal is the poorest country in Western Europe and most women have neither the time nor the education to consider their rights. It is also a Latin country where, much as in Spain and South America, the birth of a son is a much happier event than the birth of a daughter, and machismo still rules

Before the revolution women were legally second-class citizens. A husband was considered head of the family, deciding where the family should live, how the chil-dren should be educated and whether his wife should work or not. A woman needed her husband's permission to obtain a passport or ake her children abroad, and enjoyed little privacy within the marriage to the extent that her husband was entitled to

open her mail. Today, women's legal, political

benefited from labor laws guaranteeing equality of opportunity and pay at work, maternity laws entitling new mothers to three months leave from work, and even an advertising law that, though little in evidence on TV and in the press, prohibits the exploitation of female sexuality. The new divorce laws no longer penalize women with respect to property or child custody, and fathers of illegitimate children must now contribute toward their maintenance.

Government Commission "From a legal point of view evcrything has been done that can be done," said Ana Vicente from the government-run Commission on

The commission, set up after the revolution, was intrumental in get-ting the laws passed and now works to publicize them. Most of its activities are educational: continuing courses, distributing leaflets on health and contraception, drawing up reports on sexual discrimination, giving legal advice and helping these seeking divorce or shelter from violent husbands and boyfriends.

the Status of Women.

"It is factors outside the law economic, sociological and cultural conditions that still create incquality here," Mrs. Vicente said.
It is hard to shake the tradition-

al belief that educating girls is a waste of time, and in a country where lack of money means overcrowded schools, large families in remote areas often keep their daughters at home where they will be of more use working the land or cleaning the house. In 1979, 26 percent of the female population of Portugal was illiterate.

Shortage of money also means health care suffers. Outside the big cities, hospitals are few and poorly

and familial equality is written to work in the backward rural into the constitution. They have areas of inland Portugal where areas of inland Portugal where they are needed most.

Consequently Portugal has the highest infant mortality rate in Europe. Latest figures from the com-mission show that e quarter of the pregnancies carried to term will result in the death of the child and one in every 350 mothers will die in childbirth.

There is no institutionalized pre-natal care and many children are born at home without qualified medical assistance and in some areas born in houses without electricity or running water. Obstetricians are grandmothers, aunts and sisters who have seen it all before. Contraception and family plan-

ning advice are free in Portugal, but women's groups say only a small proportion of women of child-bearing age use them. They blame this on poor publicity, shortage of funds and the influence of the Roman Catholic church. In Madeira for example, a staunchly Catholic health authority has ordered family-planning clinies to recommend only the rhythm method of contraception so for some the pill is not available

The church has also made its resence felt in current controversy over Communist Party propos-als to legalize abortion. Warning women oot to become "walking cemeteries" and turn Portugal's hospitals into "legalized slaught-erhouses," the church is spear-heading the campaign spains the heading the campaign against the Communist bill due to be debated in parliament in the oext few

Uoder the proposals, abortion would be available in public hospitals to women whose health might be endangered by childbirth, those who could not offer an infant adequate or the country of the country quate social or economic support and those likely to give birth to a mentally or physically handi-capped child.

says her party proposed the bill to cut down on an estimated 300,000 clandestine abortions carried out every year among a female population of about five million, often in appalling conditions and for hand-

"Everyone knows where it goes on — police, judges, tribunals, even those who wish it to be kept illegal," she said. Women's groups say about 2,000 women die every year because of badly performed

Although a recent survey showed 71 percent of the Portugese population believed abortion should be available in certain circumstances, the bill is unlikely to get through parliament for po-litical reasons. The ruling Democratic Alliance coalition will not offer support to an opposition Communist Party bill and cannot afford to ahenate strongly religious rural communities where much of their support lies, especially with local elections looming.

Domestic Violence

Another health hazard Por-tugese women face is violence. Alhough a certain amount of domestic violence has always existed and been accepted as part of the cul-ture, plus the added stress of modern living, overcrowded cities and the housing shortage, the incidence of wife-beating has increased in recent years.

"Some of the cases who come to us for help as a last resort are frightful, ghastly and suicidal," said Mrs. Vicente, adding they in-clude the wives of doctors, lawyers and even an admiral.

There are no shelters either public or private where women can es-cape a violent household. Many women pot up with constant beat-ings simply because they are eco-nomically dependent on their hus-

Economic, Political Tension Keep Pressure on Coalition

(Continued from Page 7S)

to resolve this particular prob-lem remains unclear, but no doubt it will come through some kind of compromise. Political and economic prob-

lems are not the only ones chal-lenging this small Iberian na-tion of 10 million. Planned membership in the European Economic Community by 1984 will bring with it as yet unre-cognized difficulties. Joining the EEC has always been seen here as a politically vital move to anchor Portuguese democracy to the mainstream of Euroan democracies.

Monetary and economic im-plications have always been

treated as secondary hurdles.

Now, however, businessmen
and others are beginning to realize what dramatically higher
prices, an end to subsidy and tariff barriers, altered trading patterns and stiffer competi-tion will mean, and voices are being raised in protest. A major group of industrialists re-cently called for longer periods of transition to allow Portugal time to absorb the changes that are coming.

However, the die must now

Gradually, some women are ob-taining economic independence.

More girls are going to universities

each year and women already hold more than half the jobs in the civil

service, though only a handful have reached the upper echelons.

Portugal has even had a woman

be presumed cast and there can be no serious consideration of backing out, despite the preference of some businessmen for the easier and more lucrative expansion of trade links to the former African colonies,

(in (in

Whether, as enormous internal problems continue to confront the community, Brussels would want a chance to reconsider entry applications from Portugal and neighboring Spain is another matter, which few here would really like to

Despite the difficulties, the trials and tribulations, eight years of democratic experience have left generally positive marks on the Portuguete, who by now are becoming accus-tomed to the institutionalized. instability that seems to characterize the national scene.

For the vast majority, a re-turn to the past would be tragic and inconceivable. The premier's warning of a Turkish or Polish problem in this corner of the Iberian peninsula must therefore be seen more as e desperate call for help with a seemingly unmanageable economic problem than as a real warning of future probabilities

tional elections. Her appointment was a breakthrough unimaginable

in pre-revolutionary Portugal.

Women bave made inroads into

politics and government in this country, but with only 22 representatives of their own sex in a parliamentary chamber of 250, it looks as though for those carrying laundry to the river the lack of real equality will remain a fact of life for a few years to come premier, Maria de Lurdes Pintasil-go, who was appointed by Presi-dent Antonio Ramalho Eanes in a hands and would be homeless if equipped and doctors do not want Tradition of Craftsmanship Is Alive and Going Strong

By Shirin Timsar

I ISBON — Lisbon is still a city where the sidewalks are made of carefully chiscled cubes of whitish marble. It may not require great skill to shape the cubes and pound them into the sand, but the pavements do show that apart from being the most old-fashioned capital in Europe, Lisbon is also e place where people take a great deal of trouble with detail.

A place where traditions die with difficulty, mostly because innovations are always expensive, is where a craftmen's skills are more

likely to survive.

An old pink palace at the foot of the Moorish castle of Lisbon housset up in 1953 b a discerning hanker to perpetuate the best traditions of Portuguese

craftsmanship.
The Fundação Ricardo Espirito Santo Silva in the Largo das Portas do Sol is a warren of workshops that can be visited by appointment. Two tame doves somehow manage to breathe in the paintshop, fluttering above the workbenches. Pinups and pictures of football teams cover the walls, but its hallmark is that everything restored or reproduced there copies the methods used in the origi-

Guide to Skills

A visit to these workshops not only serves as a guide to the skills that have survived in Portugal hut also gives e unique insight into the country's social history. On one workbench the doors sold by an impoverished duke are being restored while on another a round empire table is being built, which will conceal two television sets for a rich Porto merchant's family. The Fundação Ricardo Espirito Santo Silva manages to provide

training facilities for future generations of craftsmen by keeping affoat as a commercial concern. The Iranian revolution deprived it of some of its best customers, but there are still enough banks, hotels and nouveaux riches around,

A visitor to New York's Metropolitan Museum who buys e repro-duction of one of the museum's collection pieces will actually be

purchasing something made in Portugal by the Vista Alegre porceiain works.

lages and into countries where

there are Portuguese immigrants.

He will do a show for immigrants

on Broadway next year. He will go no Bulgaria to sing in the Bulgarian

song festival. He also writes a

weekly column in a Lisbon paper.

He has performed as far away as

Macau and China, but he has little hope of becoming an international

Although he will gross about

\$150,000 this year because he is at

the top, he considers Portuguese

performers underpaid, and he is

"I write all of my own material,"
he said. "I have only a sccretary
and two technicians. I have to go
on the road to survive because TV
pays so badly in Portugal." He has
been asked to do a new TV show

for the fall, but cannot find script

writers. The ones there are are old-fashioned and couldn't make their grandfathers laugh. They

aren't trained. It is a technical pro-

José believes he was born to be

funny, but it took eight years in show business before people began

worried aabout his future.

is a roined convent where a potter has set up his wheel in the nave. He sleeps nearby under some old potato sacks. The only decoration on the walls is a traveling sales-

(Continued from Page 7S) to laugh et him. "It took a lot of could wow them at the end-of-

ractice. That's why most good co-

medians are over 40," he affirmed.

He began performing at the German School in Lisbon. He re-

called:"I wasn't doing too well ac-

ademically, but I discovered that

(Continued from Page 7S)

East trouble spots and has proved

its usefulness in previous airlifts to Israel, as during the 1968 Yom

in relations with the Soviet Union.

for the first time since the two

Kippur war.

Humorous Approach to Serious Business

Vista Alegre is another example man's calendar. Decorative tiles, of a highly skilled craft that has azulejos, were removed long ago. He bakes his pottery in a cloister managed to survive because it learned to market its products, pa-ticularly abroad. But what of those shared with a dungheap, a muddy donkey and a few hens. How much longer will that man be able to compete against plastic?

at the other end of the scale, Portugal's traditional potters? Outside the little town of Viana The nicest part of the Fundação do Alentejo, south of Evora, there Ricardo Espirito Santo Silva is the bookbinding workshop. It is from here, in 1959, that the beautiful collection of bindings was ordered from Versailles to reproduce Ma-dame du Barry's library. As the

books themselves had been lost, the bindings were in fact fakes, blocks of wood with leather covers. Would the original owner have no-

But how does an ordinary bookbinder fare in Lisbon? Before the 1974 revolution, Augusto Gracio had II persons working for him. Today, he only has one assistant and makes do with a relative coming in occasionally to help. He started at the age of 15, earning one and a half escudos e day as an apprentice. Many of the bookbin-ders with whom he learned his closed down, most of them after 1974. trade 40 years ago have since

Before the revolution, he had a flourishing trade with Britain, binding books sent over by London book dealers to take advantage of cheap labor costs in Portugal. Portuguese wages are still e quarter of the level of the northern Europeans, but costs have gone up

steeply.

He spends most of the day in his sparse workshop up a dark nickety staircase, at 76 rua dos Sapateiros, in downtown Lisbon doing com-mercial bindings. Asked how he would be affected if Portugal joins the Common Market, he replied: The idea of the Common Market has sometimes crossed my mind, but I have never thought about it

seriously. I do not know what it will mean to me." He does all his own bookkeeping and it is difficult to imagine him coping with value Portugal is forminate to have thousands of skilled artisans like Mr. Gracio or the potter of Viana do Alentejo. But the survival of

and worked with an older, well-known comedian, Nicolan Bryner, Patient Endeavor Pays Off

countries first exchanged ambassadors after the 1974 revolution. This deterioration coincided with the coming to power of the present right of center governing

ers ever failed me. This made me

see a way to get through life." He joined a rock group, did theater

before his big chance came

lliance and reflects a conscious The base, Portugal's NATO membership, big U.S. grain sales and frequent Lisbon demonstrapolicy for both domestic and external reasons. Lisbon has expelled a number of tions of solidarity over major U.S. issues, like the Iranian hostages, Poland and Afghanistan, explain Soviet diplomats and other person-nel over the past 24 months and recently insisted on one-third reduction of the size of the Soviet. the close and warm ties existing between Lisbon and Washington.

East German and Polish missions here as part of the Western reac-One notable trend in Portugal's tion to the Polish crisis. foreign policy over the past two years has been the steady cooling Apart from a natural disaffinity, a conservative administration

here believes that a hard line toward the Soviet Union and its alies will reflect adversely on the Moscow's most faithful friend in Western Europe, and gain domes-tic political capital for the Alli-

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this culture is being threatened. One the biggest challenges the government will face in negotiating entry in the Common Market will be to insure that by not changing Portugal's way of life and taking the country out of the 19th century and into the 20th, it does not allow this unexploited asset to be de-

SESIMBRA, 30 km from Lisbon: Sesimbra is a picturesque fishing SESIMBRA comprises some 50 duvillage at the optopor of the

It is in this rare setting, so knowingly preserved by man yet so near and accessible, that VILLAS DE SESIMBRA, a small, high-quality tourist-residential complex, is to be built and completed by 1984.

A quality imposed by circumstance, with oo concessions. Quality in the high standard and sobriety of the project itself. Quality io the construction and its inherent features. Quality in the lifestyle sought. All in all, a fair balance with a pri-

Set on some 12,000 m2 of land forming a oatural amphitheatre facing south over the beautiful bay of Sesimbra, the lourist-residential complex known as VILLAS DE

plex-type flats, a heated open-air swimming pool, sauna, tennis courts and extensive tawns with teafy trees. A reception area and garages with space for car, boat and storage are an integral part of the scheme.

stage under a team of leading Portuguese architects, the project is distinguished aesthetically by the judgement and discipline with which the buildings blend with the landscape to form an harmonious and interrelating whole.

as a permanent residence or as a weekend or holiday home.

scenery into one's own home! A spacious kitchen/laundry/dining area (almost 18 m2 in all), fully equipped and including a 4-ring vitroceramic hob with fully automaoc controls, fridge/freezer, hot-air fan oven, dishwasher, washing machine and lumble dryer. The most beaudful Portuguese

kitchens and bathrooms, with high quality hard woods for ceilings and woodwork. A whole range of materials and finishes - such as dark bronze-coloured anodized aluminium window frames, CLIMASOL double-glaziog on all wiodows, a sophisticated heat and sound insuladon technology - ensures a maximum of quality and efficiency for a lasting and profitable investment. An iovestment, above all else, in the pleasure of living and enjoy-

deed, and its smallness helps to enhance its personality.

Ordinary portland cemer

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a certain suggestion of a philosophy of life

village at the gateway to Lisbon. Well-known and frequently revisited by foreigners, residents and tourists alike, Sesimbra stands welcoming and full of charm in the routine of ber daily toil, the beauty of ber landscape and in the flight of a seagull caught against the daily splendour of her sunset.

vilege of nature.

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il is a unique development, in-

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Tensia Education Coalition Is Rocked By Host of **Problems**

By Mary Castanheira

I IFTY years of dictatorship fol-lowed by continued social up-heavil in post-revolutionary Portugal have left the nation's education in a morass of indecision, cross-purpose and neglect. "Education is like a desert" said

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one high school teacher. "We don't know what we're doing or where we're going." Stop-gap reforms since 1974 swaying with the country's politics have characterized the educational system, but no realiscountry's needs has been done. Enrollments have trebled in pri-

mary and secondary schools. Unie vast majorin 1. e past would be be versity entrances climbed from 46,000 in 1970 to 71,000 in 1976 mccivable. The parting of a limite option in this second but have since dropped to approxi-mately 12,000 in 1982. Six years of mandatory schooling were in-creased to mine and technical be seen more a call for beh we schools were abolished after the revolution in an effort to end social divisions, while countrywide programs were introduced to improve on the 30-percent adult illiteracy rate, the highest in Europe.

The increase in numbers has put unbearable pressure on teachers and schools. More than 1.8 million ections. Her nye eakthrough many volutionary hung students are crowded into 12,000 schools and less than half the teachers are fully trained. New schools can't be built fast enough, while the old schools are literally and government but with only It; falling apart.

Order in System

mary chamber di though for those A typical example is Ociras High School, Located in a Lisbon suburb, 3,000 students attend classes in a building designed for 900 during three five-hour shifts from 8.30 a.m. to 11 p.m. Facilities are overcrowded and lack washrooms, labs, cafeterias and chalk. Desks and chairs are broken. Vandalism is rife and discipline is difficult. Many high schools had to be closed down before the February camival holiday as students influenced by outsiders created chaos, throwing eggs and stink bombs and riding around playgrounds on motorcycles.

"The whole system expanded too quickly" says Vitor Crespo, minister of education since 1979 and a former chemistry professor at the University of Coimbra. Mr. Crespo said the situation was indescribable when he took office but he has managed to prevent In Lisbon's primary schools, 30 strikes and put some order into the out of 100 pupils fail, while outside



COPING TO LEARN - Pupils in class at Alges secondary school.

terrific. We need to build more schools and bring up the standards as well as find a classroom for everyone," he added.

The ministry is making a major push to overcome the problems, but admits that politics complicate the scene and schooling resources are extremely limited. The state budget allots 67 billion escudos for education this year, barely keeping up with inflation. World Bank and EEC credit lines will help to build polytechnical and vocational schools, but money is scarce for needed research, modern equipment and repairs on existing schools. Only 0.2 percent of Portugal's GNP is spent on scientific re-

Teachers and students complain that they are not consulted about required changes. "We understand that any minister would have trouble with the terrible deficiencies in education, but everything is done in a patchwork way and the medium term will not get better," said Antonio Lacerda, president of the Social Democratic Youth, the largest pressure group in education. The Social Democratic Youth has won successive elections and controls most university student bodies and over half of the high school associations. "We want the minister to listen to us."

Teachers have more chances to be creative since the revolution but programs are not co-ordinated," said Maria dos Reis Julio, a history and philosophy teacher in a high school. "The results are ap-palling and students leave high school without preparation for the university." Failure rates are increasingly high, with only four out of 50 students passing in some

In Lisbon's primary schools, 30

education system. "Demands are the city 40 percent fail the primary school exam. A recent study point-ed in the fact that in the majority of these cases, parents are from working classes and many are illi-

> The high failure rates are linked to teacher shortages as well as to the snident's social background. In order to meet the teacher demand after the revolotion, various governments accepted uo trained teachers. In high schools, 43 per-cent are trained graduates, 33 per-cent have a university education and 16 percent are unemployed doctors, lawyers or university students called to fill the gaps after the four-month summer vacation. Salaries are low, with top teachers carning 39,000 escudos monthly—a salary equivalent to that of an army captain. Hiring practices add to teachers' instability, with only a small oumber secure in their jobs

from one year to the next. "Many teachers have no sense of responsibility, teaching only 21 hours a week and not preparing lessons," says Mr. Crespo. "Absenteeism is high—leaving students wandering about the schools." The ministry will open two teachertraining colleges this year and teachers who are absent more than 30 days will be penalized,

Only 11 percent of the 140,000 students in higher education manage to enter a university at all. The universities, bursting at their seams in 1976, have introduced jeopardy.

stringent quotas on entry oumbers. Those who don't make it are left at loose ends. The government, concerned with this vacuum, hopes in have five polytechnical and 10 vocational schools operating in the next few years.

With university entrances limited and job prospects nil, students eye the future dismally. "Even good marks are not a guarantee for university any more" said Jose Penalva, a 16-year-old high school student. "Many pupils try exams knowing they haven't a chance but it's better to try, fail and stay in school than fool around in the streets," he added.

"Schools make oo attempt to capture our interest," said Carlos Oliveira, 17. "There are no sport programs, no dances, no libraries or labs. We rarely discuss anything in the class and teachers tend in stick to the book." In the last year of high school many students know they will fail whether they know the work or not and they feel cheated. "Many of us try to get into the armed forces as the only way to continue studying" said Jose Penalva. "We must find alternatives ourselves," he added.

Portugal's entry into the EEC is earmarked for 1984. Many fear that if educational reform continues to be neglected, the country's ability to produce managers and advanced neighbors will be in

The Military Returns To Instruct Old Foes

I ISBON - Nothing could illustrate better the extent to trained in these methods by former which Lisbon's former African col-onies have made peace with Portu-gal than the fact that the Por-anda airport that have proved the uguese military are being gradually invited back by the very guerril-las they ooce hunted in the bush.

Ever since the breakup of Lisbon's colonial empire in 1975, the Portuguese military have always told their NATO partners that no other army in the alliance could match Portugal's experience in African guerrilla warfare.

There are, after all, some one millioo Portuguese men who learned the techniques of counterinsurgency the hard way in the swamps of Guinea or the forests of Cabinda during the 13-year war that Lisbon had to fight against Soviet-trained guerrillas in Angola, Mozambique and Guinea-Bissau.

The country that seems keenest in reaping some of that experience is Mozambique, where the ruling Marxist Frelimo Party faces a growing threat from attacks against strategic economic targets by the South African-backed guerrillas of the National Resistance Movement.

A top-level Portuguese army mission has just visited Mozambique to prepare the way for the signature of a military cooperation agreement that will cover a wide field, ranging from the sales of Portuguese-manufactured weapons to combat training for Mozambito combat training for Mozambi-can troops by Portuguese instruc-tors. The mission included one of Portugal's outstanding officers, Brig. José Loureiro dos Santos, a former deputy chief of general staff and ex-minister of defense. The Mozambican defense minister, Gen. Alberto Chipande, is due here this month, having been preceded in March by the country's security chief, Maj.-Gen. Jacinto Veloso.

Establishing Ties

The green light for establishing military ties between Frelimo and the Portuguese army it had fought in the bush was given by President Samora Machel during the visit of President Antonio Ramalho Eanes of Portugal to Maputo last No-

Marshal Machel, a former medical orderly, received the sword of honor of the Portuguese army from General Eanes, a psychological warfare expert, who twice served in Mozambique during the colonial wars. Deeply moved, President Machel paid an emotional tribute to the Portuguese army.

What is of greatest value to the ex-colonies are the counterinsurgency techniques the Portuguese army hastily developed when the 1961 uprising in Angola caught the former regime entirely unprepared for subversive warfare. The training of Portuguese commandos is, for instance, of a rigor that British officers say none of their men would stand for. The commando's survival training begins on the assmilt course where the instructors use live ammunition. If he is not quick enough when the machinegun fires or the grenades start exploding he is oot going to last

only effective Angolan unit against the guerrillas of Jonas Savimbi's National Union for the Total Independence of Angola (UNITA).

extremely quiet about the unit's success and the only reason why the Luanda regime has oot expanded its size seems to be fear of the strength and political loyalties of soldiers trained along such oldfashioned lines. The methods used by the Por-

toguese during the guerrilla war were far from innocent. One of the most effective involved captured guerrillas who had been persuaded to fight against their former comrades. They would be dropped into a combat area with a few days' rations and orders to bring back the weapons of the dead guerrillas. If they returned without them, they faced execution.

The Portuguese military have al-ready managed to return to the Cape Verde Islands — the one colony where there had never been any uprising against the Por-tuguese — where they are involved in such noncootroversial areas as

putting together a department of logistics for the local general staff. The importance of what the military took with them when Portu-gal withdrew from Africa in 1975 should oot be underestimated. All ould oot be underestimated. All the former colonies would like to put their hands on the Portuguese army's old maps. They are not only invaluable for fighting guerrillas but also for establishing rights in disputed frontier regions when the smell of oil arouses the

greed of neighbors.
Immediately after their independence, all of Portugal's former
African colonies turned to the East Bloc for military assistance. Along with Soviet, Cuban and East German instructors, they received Soviet bloc-style uniforms.

One of the most visible symbols of the change of direction in the armed forces of Portuguese-speaking Africa is the fact that the Portuguese army has been approached about redesigning uniforms for all the ex-colonies, including the tiny island republic of São Tome and

est, has even stated outright that it will revert to the old Portuguese army uniform for its troops. The first Guinea-Bissau military mission to the West since the country's independence came to Portugal last March.

The Portuguese armed forces staged the 1974 revolution mainly to prevent any more of Portugal's soldiers dying in Africa, but there is a real possibility that Lisbon might have to send combat troops to Africa again. Sam Nujoma, head of the South-West Africa People's Organization (SWAPO) said after a meeting with Gen Eanes in Luanda that he would welcome the inclusion of Portuguese troops in any U.N. peacekeeping force for Namibia.



Macao: Vestige of Empire Gets a New Lease on Life

FIVE bundred years ago, Vasco da Gama discovered for Portu-I gal the sea route to India, opening the way for his fellow explorers to the regions of China, Japan and Southeast Asia.

lo this way, in 1555, the Portuguese established a tenuous fonthold on the Chinese mainland, putting down roots in what is

today their last remaining colony — Macao, a gambling paradise across the water from Hong Kong.

Since then, Macao has, with some exceptional periods, muddled along as best it could in a sort of twilight of benign neglect. This all changed wheo leftist officers took over in Portugal's 1974 revolution and attempted to give the colony back to Peking. The offer was vigorously rejected as China prefers to keep Macao as a trading and foreign-exchange center for the world, while any move to integrate the terrimry would have created grave risks for the future of Hong Kong.

Today, Macao is officially described as a Chinese possession

under Portuguese administration, a formula that admirably suits From the mid-1800s Macao, in cootrast to the dynamic Hong

Kong, went inin a steady decline despite an important textile and gambling industry. Things changed after President Nixon's historic opening to Peking, which sparked a new relationship between China and the West and gave Macao a renewed lease on life. Incidentally, the Macao-China-United States link goes back to 1844, when the United States and China signed a treaty that year in a Macao temple. **Ambitions Plans**

Latest reports say Macao is headed for a boom, with ambitious plans to develop its infrastructures, improve a chronic bousing problem and promote the territory as a tourist attraction. The territory's Portuguese governor, Adm. Almeida e Costa, recently unveiled his administration's plans for the colony, stressing telecommunications, airport and harbors, bousing, textiles and light industry as priority areas. Some of these plans, including the international airport, harbor improvement and oew telecomm cation networks are already under way.

Local government officials are trying hard to attract Portuguese businessmen to Macao. In contrast to their British counterparts, who have made industrial empires in Hong Kong, Portuguese entrepreneurs have neglected Macao. The administration maintains that Portuguese traders, apart from the local marker, would also be well positioned to take advantage of the opportunities in neighboring China, Hong Kong and points east. They acknowledge that the market is highly competitive and

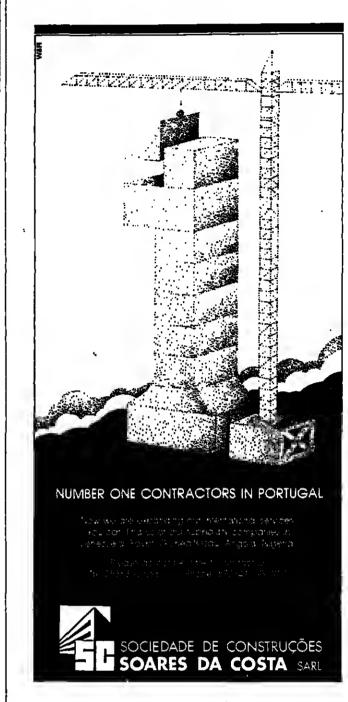
this has apparently deterred many Portuguese from moving in. The administration hopes that Portuguese construction firms will seize the current opportunity to compete for the supply of construction materials to meet the need of the crash housing program planned by the government.

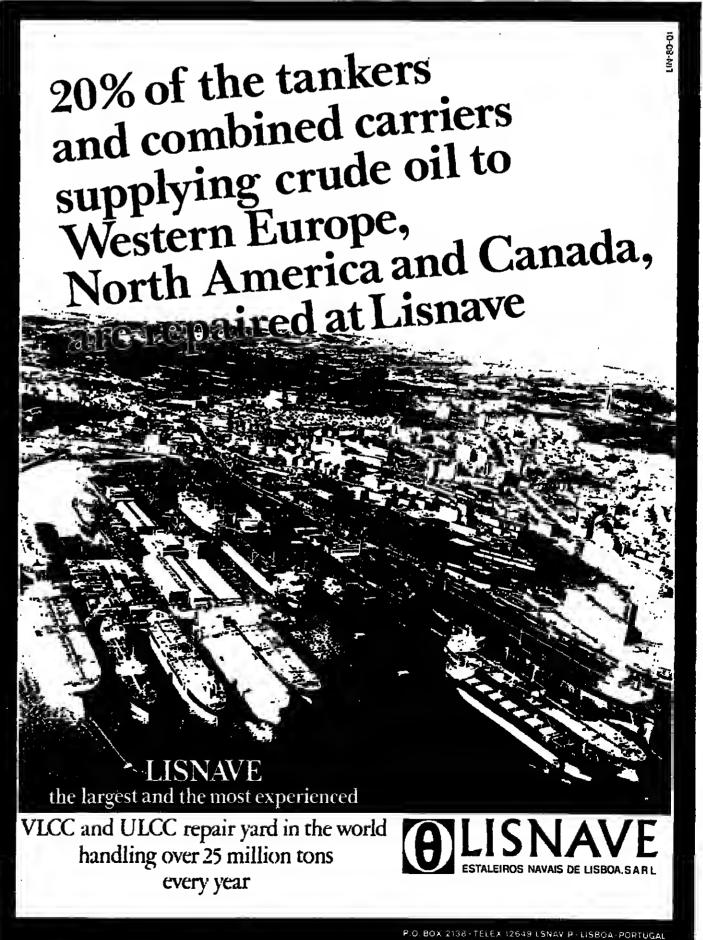
Finally, the banking sector is to be revitalized with a view to turning Macao into a financial center. Present restrictive legislation on financial operations and rights of establishment is under review, along with measures to defend the local currency, the escudo-linked pataca. **—KEN POTTINGER**



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Buvers Turn Wary Over **Mixed Signals**

By Carl Gewirtz

PARIS - The rush to buy Euronds evaporated last week. The scene was set by yet another thunderbolt from Henry Kaufman, the Salomon Brothers economist, who reiterated his view that U.S. interest rates will surge this year and test the record highs set in

Mr. Kaufman, of course, has said it all before. But then came the news of increased April retail sales, up a surprisingly large 1.4

EUROBONDS

percent, and an 18 percent surge in early May auto sales — gains which indicated the economy was improving faster than many had

expected.

This was a negative reading for the market, implying dealers concluded, that the Federal Reserve would be under less pressure to ease its monetary policy. This view was reinforced by an upturn in the cost of overnight money which rose to a mid-week high of 15 per-

The late week report of a wider than expected 0.6-percent decline in U.S. industrial production in April helped calm nerves, as did the dip in the cost of federal funds, the base U.S. interest rate. Fed funds traded down to a low of 141/s ercent in New York late Friday perore ending the week at 141/2 per-

The U.S. money supply figures, released at the closing of New York trading Friday, did little to improve sentiment. The key M-1 measure of the money supply was up a modest \$800 million (forecasts had ranged from a rise of \$4 sts had ranged from a rise of \$4 billion to a decline of \$2 billion). But New York analysis focused on the large \$5.8-billion rise in corporate borrowing — business loans at banks and sales of commercial pa-(Continued on Page 17, Col. 1)

Mexicans Find Oil Boom Provides Elusive Dividends

Oil Glut, Inflation Create New Problems

By Douglas Martin

New York Times Service MEXICO CITY — From the hundreds of piles of neatly stacked steel pipe in steamy southern jungles to the skyscraper being built in Mexico City for Petróleos Mexicanos, the state petroleum monopoly, it is apparent that oil has become something of a king in this democratic country of 70 million.

"We can't say it yet, but our large dis-coveries in the south may be linked in one giant field," said Manuel Sandoval, a spokesman for Pemex, as Petróleos Mexi-canos is known. "If that is true — wow,

That is almost a matter of detail. There is no longer doubt that Mexico is an oil power of the first order, with potential rivaling that of Saudi Arabia. Mexico now claims proved and probable hydrocarbon reserves of 150 billion barrels — a figure foreign experts do not dispute — indicating that it could export increasing amounts of oil for more than a century.

But whether it chooses, or is able, to do so is another matter. Now that the dimensions of Mexico's oil resources have become clear, the country is facing a barrage of obstacles, ranging from the oil glut to a battered economy that is sharply constraining Pemex's spending.

Hopes Unfulfilled

Moreover, it is clear that oil has not ful-filled the hopes that the Mexican people had placed in it. Instead of the \$27 billion in oil and gas sales that were expected this year, the Banco de Mexico recently estimated that 1982 oil revenues could be as

At the same time, government spending of oil revenues and oil-related borrowings has driven inflation to an annual rate of nearly 60 percent, resulting in a dramatic increase in foreign debt and the devaluation of the peso in February.

"We had oil and nothing happened could not be worse," a Mexican banker said, sipping Scotch in a bar on the Paseo de la Reforma.

Against this backdrop, the country is

struggling to determine how best to use its oil. "We're now trying to look at the forest instead of the trees," said Gilberto Escobeda, a top Pernex official. "At first the main goal was to increase reserves and readuction."

That goal has been accomplished. Pemex claims proven hydrocarbon reserves of 72 billion barrels, of which 67 percent is oil, 21 percent natural gas and 12 percent gas liquids such as propane.

There are now many eyes on Mexico, waiting to see how it will react to its new role as a major oil exporter after being an importer just seven years ago.

"They've got some very, very tough decisions to make," a top official in the U.S. Energy Department said in a recent inter-

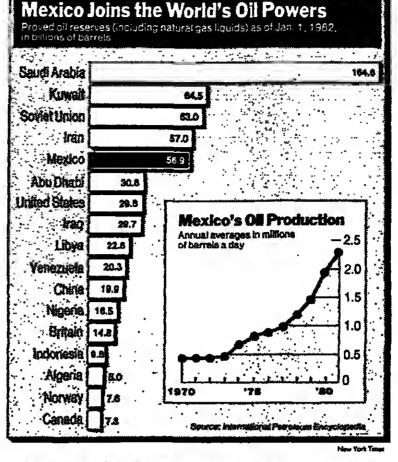
Finding answers will not be easy. On a broad level, the oil demand of industrial nations may have fallen into an irreversible slide just when Mexico has become a major producer, analysts suggest. "Our problem is the international market," said Pemex's director-general, Julio Rodolfo Moctezuma Cid.

8% Growth Rate

More narrowly, Mexicans prize their in-dependence and are particularly leary of close energy links with the United States. But oil wealth, despite the present trou-

bles, has improved the country's lot. By spending oil revenues — half of which flow directly to the federal treasury in taxes — and by borrowing heavily against oil reserves and spending the proceeds, the government has fired an annual growth government has tired an annual growth rate of 8 percent over the past three years. This has sparked a 4- to 5-percent annual increase in jobs. Mexicans have also gained through large subsidies on petroleum products

But as a result of the heavy borrowing, the national foreign debt has soared to \$70 billion, according to diplomatic sources. Pemex, hit by the oil glut, has eased payment terms and improved the mix of crudes to spor sales. It has also canceled some drilling rig orders, slowed refinery expansion and taken other cost-cutting



And oil has not been able to keep pace with expectations. Two years ago, Pernex was projecting oil and gas revenues of as much as \$27 billion for 1982. The Banco de Mexico recently pushed its estimate

down to \$12 billion to \$13 billion. Earn-ings in 1981 came to \$14.59 billion. The anticipated revenue drop is a direct consequence of the oil glut. This year, Pernex has been exporting a daily average of 1.1 million barrels of crude compared with its target of 1.5 million. Total production is about 2.5 million barrels a day. Nonetheless, oil revenues still represent

sharp improvement from the 1979 figure Mexico's oil policymakers, meanwhile, continue to wrestle with these issues:

· Prices. Mexico has ent the price of its

cluded that a price cut would not neces-sarily help sales, given the high carrying costs of nearly 75 cents a barrel as well as · OPEC. Reports are circulating that

Mexico has agreed to accept observer status in OPEC under Venezuelan sponsorship. Mexico's apparent, new willingness to flirt with OPEC may reflect its growing perception of itself as a major factor on world oil scene. But it also might be viewed as a means of appeasing Venezue-la, whose prices Pemer has been systemat-ically undercutting.

better Isthmus grade of crude by \$6.50

over the past year, and its inferior Maya grade by \$9.50. Further reductions were

expected in April, but none were made.

Diplomatic sources said Pemex had con-

Nigeria's Oil Output Rising Sharply After Slump, MEES Reports

From Agency Dispatches
BAHRAIN — Nigeria's oil output, which has plummetted during the past two months, is rising faster than expected and may top 1.3 million barrels a day this month, the Middle East Economic Survey

reported Sunday.

The authoritative oil journal based in Nicosia said increased exports by Nigeria and Iran have probably raised OPEC oil output to 17 million barrels a day, compared with a low of around 16 million in mid-April when low de-mand in the industrialized countries aggravated a world oil glut.

"This is still a very low level out-put by any standards." MEES said, when compared with a 1979 level of about 31 million before the world recession slashed demand. The journal said that OPEC oil

ministers at their meeting in Quito, Ecuador, on Thursday have a "tricky task" to decide whether the "tricky task" to decide whether the prospect of increased demand beginning in July would warrant a relaxation of the present 17.5 million barrels a day overall output ceil-

OPEC had set a 18 million bar-rel a day ceiling at its Vienna meet-ing in March, but this figure later was effectively reduced by Sandi Arabia. With the cutbacks, supply and demand has leveled off and the free market price for Arab light crude recovered last week to OPEC's \$34 reference price, after falling below \$28 in March.

MEES said reports from Lagos "indicate that average Nigerian crude oil output in May will reach or even surpass" the OPEC ceiling of 1.3 million barrels a day, though the journal noted that the ceiling applied to the quarter as a whole. Nigeria's output fell to 880,000

barrels a day in April from 1.75 million in January as customers shunned its oil, set by OPEC at \$35.50 a barrel. "It appears that improved mar-

ket conditions have begun to at-tract back many of the customers that Nigeria lost during the dol-drums of March and April, MEES OPEC took action to defend Ni-

geria's price by threatening sanc-tions against companies if they continued to cut back on purchases from Nigeria. Referring to Iran, MEES said al-though the precise volume of ex-ports' is still shrouded in mystery,

over the past few weeks. an oil deliveries [including ship- other institutions.

it is nevertheless evident there has

been a substantial boost in liftings

ments for processing abroad to meet domestic requirements for refined products] may be climbing towards the two million barrels per day figure, which is said to be Iran's target."

"What by now is abundantly clear is that Iran does not recognize the ceiling of 1.2 million barrels per day set for it by OPEC at the Vienna conference last March," MEES said.

Oil market experts have said that OPEC will sooner or later have to deal with Iran. As well as surpassing its OPEC-mandated output ceiling, Iran has also sold oil at prices up to \$7 below mandated levels, according to industry

U.S. Agency **Braniff Spots**

From Agency Dispatches
DALLAS — The Civil Aeronautics Board has awarded three airlines the international routes abandoned by Braniff International after the airline filed a petition for bankruptcy.

American Airlines obtained Braniff's Dallas-London route, the board announced Friday. Continental Airlines received the Houston-New Orleans-Venezuela route, while Eastern Air Lines got the Dallas-Mexico City route.

The routes, which were sought

by up to nine applicants, were awarded through April 26, 1983. Alan M. Pollock of the CAB, said the board would ask the carriers to honor tickets sold by Braniff for flights on those routes. American said it will begin serv-

ing the London route May 19 and that it would honor Braniff tickets for the route. The routes to Venezuela and

Mexico City had not been includ-ed in the CAB decision last month that allowed Eastern to take over for 15 months Braniff's operations

in Latin America. On Thursday, Braniff suspended all its flights and filed under Chapter XI of the Federal Bankruptcy Code for protection from creditors while it attempted to reorganize as a smaller airline, operating in the southwestern United States. The bulk of Braniff's debt

\$733.2 million — is owed to 39

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Monique Allen

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Crédit National Loan Is Marginally Complex

By Carl Gewirtz

PARIS - France's Credit Nafional is tapping the Euromarket for \$600 million using a complicated formula that bankers say is demodest tightening of terms.

into five reference periods, the first two for 30 months each and the final three for 12 months each. During each period, the borrower agrees that it will draw at least 80 percent of the loan and that the portion based on the London in-

SYNDICATED LOANS

terbank rate will constitute not more than 55 percent and the portion based on the prime rate not more than 45 percent.

This is only the second time that France has agreed to use the prime rate as a base. The margin will be set at 10 basis points (100 equals one percentage point) over prime, the narrowest spread ever for a non-U.S. borrower, or 25 basis points over the rate for 90-day cer-tificates of deposit. Credit Nation-

al will pay whichever rate is higher.
Normally prime-CD formulas
carry a so-called cap, whereby borrowers agree to use the prime base so long as it remains not more than 100 to 110 basis points over the CD rate. If the gap is wider, the base automatically switches to the CD formula. The prime, currently 16½ percent, is an administered rate that includes a profit for banks. The CD rate, currently 15.1 percent adjusted for reserve requirements, is a market rate, representing a close approximation of what it costs banks to borrow money, and is therefore usually lower than the prime rate.

Higher Rate Assured

Thus, Crédit National's narrow margin over prime is designed to make up for the absence of any "cap." Lenders are assured of get-

ting whichever rate is higher.
This should be very attractive to banks and compensate largely for the thin 37½ basis points that Credit National will pay on the Li-bor-based portion of the loan. The six-month Libor rate is currently

However, all is not quite what it seems to be for Crédit National can really end up using 69 percent Libor pricing and only 31 percent the amount is drawn.

Taking the example of a lead manager underwriting \$35 million of the loan and assuming Credit signed to disguise an ever so National draws only 80 percent means \$28 million of the manar's commitment is to be utilized The 55 percent Libor drawing of the \$35 million underwriting works out to a total of \$19.25 million. As only \$28 million is to be drawn. that leaves only \$8.75 million to be pegged to the more expensive prime-based formula. Put another way, \$19.25 million is 69 percent of the \$28 million actually drawn. The high Libor content favors Crédit National as that is the lowest charge — 15.125 percent com-pared to 15.35 for the CD rate and

6.6 percent for prime. But in return for this, Crédit National is paying a commitment fee of % percent, payable quarter-ly, on the 20 percent undrawn portion of the foan, compared to 1/4 percent on earlier deals. The fee on the undrawn portion drops to 1/4 percent if 90 percent or more of

Shorter Reference Periods

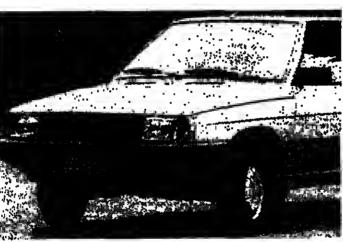
In addition, the reference periods for maintaining the average utilization are shorter than the four-year periods in the previous loan for Credit Foncier, the first French transaction to contain a prime option. Finally, front-end fees and commissions are reliably reported to be a notch higher than earlier deals.

Marketing of the loan will be helped by the fact that Japanese banks are taking 25 percent of the deal. However, bankers question whether U.S. banks will be attracted to the deal of the ed given the potentially high por-tion of low-cost Libor.

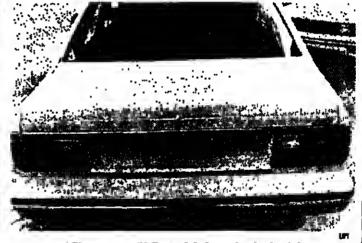
Portugal's electricity agency EDP is in the market for 5100 million, offering 1/2 point over Libor for the first six years and % point over Libor for the final two years. Ireland is sound the market for

two \$100 million loans, one for the government, which Merrill Lynch is arranging, and another for the Post Office, which Allied Irish Bank is putting together.

Also sounding out the market is Nersa, the Franco-Italian nuclear energy agency, which would be (Continued on Page 17, Col. 6)



Renault 9 ... France's model carries only one logo



Alliance ... U.S. model shows its dual origin

Alliance: A Car and Way of Survival for AMC

By John Holusha New York Times Service

KENOSHA, Wis. - In turn-of-the-century buildings that once produced mattresses and bicycles, American Motors Corp. is prepar-ing for what is probably its last effort to remain a volume manufac-

AMC is set to begin production of the Alliance, a front-wheel-drive subcompact model, next month, with public introduction scheduled for early in September. The com-pany said it hopes to sell 100,000 Alliances next year.

The badges on the backs of some pilot production cars tell of their ancestry. On the right is the familiar AMC logo; on the left is the Renault emblem. The Alliance, in fact, is an Americanized version of the French company's R-9 model, which was introduced in Eu-rope last year. It is about the size of a Ford Escort, but is classified as a five-passenger, rather than a four-passenger, car.

The Alliance is a product of the growing ties between AMC and Renault. The French company, over the past few years, has spent \$350 million to raise its stake in AMC to 46.9 percent, and has also provided the bulk of the \$200 million needed to bring out the Alli-

Indeed, auto industry analysts have said that AMC is rapidly becoming less an independent auto company than the U.S. marketing and manufacturing arm of Re-nault. AMC officials have said the company's conventional rear-wheel-drive cars will be dropped by the 1985 model year and its

a Jeep product.

Analysis also question the timing of the Alliance introduction, although they concede there is lit-tle that could have been done to

bring it out earlier.
"It's another front-wheel-drive econobox and we already have a lot of capacity for that kind of car," observed David Healy, who follows the auto industry for Drexd Burnham Lambert. He said the company's best hope would be for a strong auto market, where an additional 100,000 cars could be sold without taking sales away from the General Motors "J" cars, Ford Escort or Japanese subcompacts.

The Alliance's best chance of success will come if it is "priced very competitively," said Harvey Heinbach, an analyst with Merrill Lynch. "If they're going to make a mistake, they should make it on the low side since you can always raise prices if you sell out."

Aggressive Pricing

AMC and Renault have already signaled an aggressive pricing strategy. The Renault LeCar mod-el, which is sold by AMC, is one of the few cars in this market with a list price under \$5,000, and the sporty Renault Fuego, introduced early this year, carries a base sticker of \$8,500, compared with the five-figure price tags of some competing models.

Based on current prices, the Alliance would appear to fit between the deluxe LeCar, at \$5,595, and the larger Renault 18, at \$7,398. AMC will continue to sell imported Renaults along with the Wisconsin-built Alliance.

The Alliance, and Renault's deepening involvement with AMC, appear to be part of a continuing effort by the French company to penetrate the U.S. market from within, after decades of lackluster success from the outside. Last year, Renault sold 30,869 cars in the United States, which was an improvement of about 5,000 mits from the previous year, but far below the sales of some Japanese cars. Most of AMC's approximate-

With its new effort. Repault is aiming to capture 3 percent of the U.S. market as well as selling in Canada and Mexico.

ly 1,800 dealers also have Renault

For AMC, which lost \$136.6 million in 1981 and has not had a profitable quarter since early 1980, the link with Renault has meant survival, as its share of the U.S. market dwindled from about 4 percent as recently as 1975 to 2.2 percent in 1981. Thus far this year, AMC has only accounted for 1.6 percent of a very weak market AMC officials say that about 75

made in the United States, although the engine and transaxle will be imported from Renault.

AMC engineers have made a number of modifications to the R-9 to suit the U.S. market. One has been the addition of sound deadener to produce a quieter ride.

The Alliance will be sold in twodoor and four-door sedan versions at first, but other variations, such as hatchback models, are scheduled for later introduction. AMC is also developing a four-cylinder engine for a line of smaller Jeeps and Jeep derivatives to be introduced in 1983. The company is also planning to produce a light truck in the near future.

In preparation for the debut of the Alliance, AMC has organized a captive finance subsidiary, American Motors Credit, to help its customers finance retail purchases. AMC officials plan to focus the new subsidiary's resources on making the Alliance a much-needed

Once An Executive... Always An Executive.

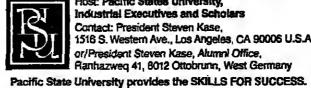
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CURRENCY RATES

Interbank exchange rates for May 14 1982, excluding bank service charges.

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To the holder of the notes payable in United States Dollars of the issue designated 94% guaranteed notes due 1982 Marriott Overseas Corporation N.V. final redemption due June 15, 1982 of

Public notice is hereby given that Marriott Overseas Corporation NV intends to and will redeem for final mandatory redemption purposes on June 15, 1982 pursuant to the provisions of section 6 of the notes. All of the 4,500 notes of the above mentioned issue, remaining in circulation, shall be redeemed at 100% of the principal amount and should be presented and surrendered for final manda-tory redemption at the offices of Bank of America International S.A. Luxemtory redemption at the offices of Bank of America International S.A. Livenbourg, Bank of America N.T. & S.A., London, Paris and Frankfurt-am-Main, European Banking Company Limited in London, Bankers Trust Co. of New York, Kuwait Investment Company in Kuwait and Krediethank S.A. Limenbourgooise, Limenbourgooise,

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Explanation of Symbols

Booming Video Shops Adopt High-Tech Look

New York Times Service

MUNICH - West Germany's video moneers first set up business here several years ago, peddling prerecorded cassettes of B movies and pornographic films from what had once been candy stores. Early owners of videotape recorders, with little to chose from in the way of eassettes, flocked to the new

The industry has changed dramatically from those days, and the rundown store-froms are being replaced by the high-tech look of Videon video clubs, just one of the many retailers trying to cater to the booming West European trade in home video enter-

With only two or three state-controlled channels and little or no cable television in most European countries, television owners are turning to videotape recorders and cassettes to add more spice to their viewing.

I April

120 M

Last year, nearly twice as many video rewere sold in Western Europe as in the United States, and nowhere is the trend more clear than in West Germany, which after Britain, is Europe's biggest market for videotape recorders and cassettes.

"We estimate there will be about 60,000 recorder owners in Munich by the end of this year," said Rudolf Wiesneier, an advertising agency owner who founded the 30-store Videon chain with several other business "In the next two years we plan 40 to 50

Europe-wide statistics are rare in the home video business, but the German Video Institute estimates that 485,000 prerecorded cas-

Germany last year, nearly double the amount sold the year before. About 2 million more cassettes were rented, more than twice the number in 1980. And by all indications, the pace has not slackened,

Industry estimates put the number of titles available in West Germany at 4,000 to 5,000, although few retail programs offer more than

Though new rental outlets and clubs like Videon are spreading analysts say that the bulk of the cassette business is still done by appliance and department stores that sell video equipment

Demand for Feature Films

The greatest demand in video cassettes, in-dustry officials note, is for feature films, although they expect an increasing number of educational or promotional films to be pro-duced directly for the video market.

British companies such as Thames Television lead efforts to produce home cassettes of major television productions, although in Britain, as in other countries, a major obstacle is uncertainty about copyright restrictions. But most governments are closing the legal gaps, and the hesitancy did not prevent the BBC from selling 5,000 prints of a cas-

sette of highlights of the royal wedding in the first week of sales last fall. As growth of the videotane market accelerates, industry officials acknowledge, the

battle for film rights has intensified. "When we started 14 months ago, we looked beggingly at distributors and took what they gave us at prices they dictated."

settes worth \$44.2 million were sold in West Mr. Wiesmeier said. "Now the power is divided more evenly, and we increasingly dictate the terms."

One result has been the availability of better films, and sooner. Cassette distribution has passed on largely to the traditional film distribution companies, among them Brit-ain's Rank Organization and West Germany's LIFA and Ravaria Film which acquire ilm rights directly from production studios in the United States or Western Europe and farm out videotape reproduction work.

Increasingly, distributors rent the cassettes to outlets instead of selling them. Costs range from about \$25 for a short to about \$110 for a feature-length film for two years. Outlet owners say they get 40 to 50 rentals from a cassette before quality deteriorates.

The pressure of demand has altered traditional film distribution patterns, industry officials said. When "Apocalypse Now" had its premiere in West Germany early last year, about a year passed befure the cassette was released for home distribution. Last fall, only several weeks elapsed between the reease of the West German submarine epic

"Das Boot" and its availability on cassette. There is much speculation about what effects all this will have on traditional forms of entertainment such as films, theater and television viewing. But Wolfgang Bock, an official at Beta Films in Munich and an analyst

of video market trends, said: "When the dust settles, much will be the same. Who goes to movies anyway? Young peopla looking for a night out. Video cas-

cent this week

settes won't keep them home."

In U.S. Fall On M-1 News

By Michael Quint

New York Times Service NEW YORK - Interest rates fell slightly late Friday after announcement by the Federal Re-serve of an \$800-million increase

in the U.S. basic money supply. The slippage in rates came even though the new \$449.9-billion level of M-1 is higher than would be consistent with the Fed's 1982 growth target of 21/2 percent to 51/2

Because of doubts about the Fed's monetary policy, trading was

U.S. CREDIT MARKETS

not enthusiastic after the announcement Friday. By late in the day, three-month Treasury bills were bid at 12.15 percent, down from 12.31 percent 10 minutes before the money-supply announce-ment, while the six-month bill was

about unchanged at 12.25 percent.
In the unte and bond market, prices rose 4 point following the announcement, after rising by % point earlier in the day. The new 14%-percent notes due in 1985 were offered at 101 7/32 to yield 13.61 percent, the 13% percent notes due in 1992 were offered at 101 22/32 to yield 13.43 percent, and the 14-percent bonds due in 2011 were offered at 106½ to yield

13.11 percent.
Traders estimated that M-1 growth would subside later this month and said that their attention was focused on an apparent in-crease in the availability of reserves in the banking system. Although a sustained increase in the Fed's provision of credit, or reserves, to the banking system would bring interest rates down from current levels.

many were unsure if that was the "M-1 is about \$1.2 billion above the Fed's upper limit, and I think some additional declines in the money number will be required before the Fed can ease monetary policy," said William V. Sullivan,

Ir., an economist at the Bank of New York. Economists at Money Market Services, a San Francisco consult-ing firm, concluded that the Fed wanted to make reserves more available in the banking system. They said in a report that these became plentiful enough to reduce the level of net borrowed reserves to \$414 million in the week ended May 12 from \$626 million a week earlier and more than \$1 billion in late April.

The Fed's desired level of net borrowed reserves "could not have been much higher" than the \$414million level, the firm said.

Interest Rates Crédit Loan Marginally Complex the prime rate, Bankers also com-

(Continued from Page 15) guaranteed by ENEL, the Italian electricity utility.

وكنامن لأعرال

Spain's credit institute, ICO, is looking for up to \$250 million for eight years. Bankers report that ICO is insisting that the terms include an element of % percent over Libor.

Venezuela is scheduled to meet with bankers this week in either Frankfurt or Paris to discuss terms on its proposed \$2.5-billion loan. The meeting is being held on the Continent rather than London, the logical center, as U.K. banks are boycotting Venezuelan deals following Venezuela's outspoken support for Argentina in the Falk-

Bankers are not optimistic about the Venezuelan transaction. It is very large and marketing will be made difficult if U.K. banks do not participate. In addition, the participation of many U.S. banks s doubtful as Venezuela reported-

ly is resisting offering pricing over

plain that the eight-year maturity sought is too long, that seven years

A six-bank committee has been formed to negotiate pricing, which many believe will have to show

considerable improvement over previous Venezuelan loans. The talks is at least 1 point over Libor for the seven-year portion and % point over Libor for the three-year Meanwhile, Argentina's Economics Minister Roberto Alemann

met with European bankers Friday in Zurich and warned them that as short-term debis come due Argentina may be forced to ask the banks to roll over the debt. He added that the names of the borrowers may be substituted.

"We are going to repay debts," a participant quoted the minister as saying, "but don't be surprised if we ask you to renew

the loans."

While the meeting was called to

ability to meet its obligations, one banker who attended said the minister's one-hour presentation had

the opposite effect. "It was a political speech," he said, full of "rude, very rude remarks about U.K. banks."

Elsewhere, Peru's development agency, Cofide, is in the market for \$320 million, offering 1½ points over Libor for six years or 1½

points over the prime rate. Chile's state petroleum agency, ENAP, is looking for \$100 million for eight years. Bankers expect it will pay more than 1 point over Li-

In Asia, Malaysia is discussing terms for a loan of up to \$750 mil-

Pakistan, despite the low 1/2 point over Libor for one year, 1/2 point over Libor for two years and % point over Libor for three years, was able to increase the size

of its loan to \$225 million from the

planned \$175 million

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Bond Buyers Retreat as Uncertainty Advances

per — as indicating the Fed will have little room to ease its policy. Analysts said borrowing de-mand may swell money supply in coming weeks, which could lead coming weeks, which could lead the Fed to be reluctant to further ease its grip. Such credit demands, one analyst remarked, represent

"the nuts and bolts of monetary Many analysts attribute the midst of a recession to distress borrowing by companies, largely

to finance inventorie All of this spelled bad news for the Eurobond market and dealers. facing shortened trading this week due to the annual meeting of the Association of International Bond Dealers in Venice on Thursday and Friday, were especially eager to reduce their bond holdings. A number of market participants spoke of sales at distress prices as Social State of Gealers
Laurel State of School State of S dealers rushed to clear their

Wide Gap in Yields.

The market's fundamental problem is that the early May surge in demand for dollar-denominated paper resulted in an extraordinariwide divergence between yields on Enrobonds and yields on dollar bonds in New York, U.S. compames were able to sell bonds here at . tood: a saving of almost a full percent-age point over what they would have had to pay in New York be-Euromarket had con vinced itself that rates were headed lower and accepted issues at terms that anticipated a further decline in short-term rates.

> When that downturn failed to develop, the yields on Eurobonds were forced to adjust to to market-

> place reality and prices of recent issues fell sharply.
>
> Complicating matters was the very heavy calendar of new issues,

 Mobil Exploration & Producing Finance, guaranteed by Mobil North Sea Ltd., \$500 mil-lion broken into: \$150 million of 13% percent two-year notes; \$250 million of 14 percent three-year notes, and \$100 million of 13% percent four-year paper. All were offered at par but the two- and three-year notes ended the week at 98% and the four-year notes were quoted at 98%. Lead manager Un-ion Bank of Switzerland was reported to have taken half the issue

for its own customers.

• W.R. Grace, \$75 million of seven-year notes bearing a coupon of 14% percent and priced at 99% to yield 14.87 percent. One of the most aggressively priced issues of the week, the Grace notes were quoted at 97 for a yield of 15.48

percent. Grace's domestic paper is rated single-A triple-B.

Lead manager Merrill Lynch, implicitly confirming complaints that it is not supporting the aftermarket price, said, "We will intermarket price, said, "We will intermarket price, said," were and take care of the issue at the right time." In the meantime, a spokesman said, "if co-managers want to sell the paper at a loss, let

Merrill Lynch offered the same explanation for the secondary market performance of Eurofima. The triple-A-rated agency financing the purchase of rolling stock for Europe's railways sold \$50 million of eight-year bonds at par bearing a coupon of 144 percent. The paper proceed at \$774 on Friday to was quoted at 97½ on Friday to yield 14.80.

This was the first European syndicated dollar Eurobond for Euro-RRENT HELE fima not led by Smith Barney, apparent confirmation of reports last year that Smith Barney lost the client when the firm had to withdraw its offer of a fixed-price deal when

the market suddenly changed. Florida Telephone Financing guaranteed by Florida Telephone Corp., \$65 million of seven-year notes rated single-A by both Moody's and Standard & Poors. A coupon of 15 percent is indicated and pricing is open.

• Mead International Finance guaranteed by Mead Corp., \$60 million of seven-year bonds bearing an indicated coupon of 15% percent and open pricing. The paper was trading on a when-issued basis at a discount of 1% points.

 Illinois Power Finance, guar anteed by double-A-rated Illinois Power Co., \$50 million of seven year paper bearing an indicated coupon of 141/2 percent and open pricing. It also was trading whenissued at a 1% point discount.

Superior Oil's \$125 million of

but traded at 971/2.

of five-year notes, extendable to 1992, were quoted at 97½ after being offered at par bearing a GTE Finance's \$75 million of three-year notes, extendable to 1997, were quoted at 98 after being red at par bearing an initial

seven-year notes were priced at par

Newmont Mining's \$50 million

· Sears Roebuck returned to the market last week, offering \$400 million of zero coupon bonds. The 12-year bonds were offered at a price of \$235 which works out to an annual yield of 12.86 percent or a capital gain of 326 percent when the company redeems the bonds for \$1,000 at final maturity. The paper ended the week quoted at

Daiwa Europe was co-manager of the Sears issue, raising questions about whether Japan's Finance Ministry has eased its ban on the domestic sale of zeroes. Daiwa said its moderwriting was placed with investors outside Japan. In the floating-rate sector, Long-Term Credit Bank of Japan is of-

fering \$60 million of 10-year notes with semi-annual interest set at 1/2 point over the six-month London interbank rate. A minimum coupon of 51/4 percent is guaran-.. ENEL, Italy's electricity agency,

is seeking \$100 million for seven years, offering a coupon set at 1/4 int over Libor From Australia, MIM Holdings (Mt. Isa Mines) is raising \$100 million and CRA is raising \$250 mil-

lion through semi-public eight-year The MIM notes are offered for six-month maturities and CRA for 1, 3, 6 or 12 months. Interest on both is set at 4 point over Libor. Banks earn a 1/2 percent commit-ment fee and a 0.3 percent un-

derwriting fee.

A group of banks has been invited to make offers to buy the notes,

assuring the borrowers of getting the most competitive rate. If the bids are unacceptable the underwriters will take the notes. The borrowers will not accept to pay more than the equivalent of Libor plus % point, Conversely, if bankers bid Libor plus 1/2 point, the

borrowers will save money.
In the convertible market, Kolimorgen, a U.S. manufacturer of coupon of 15 percent. circuit boards whose shares are listed on the New York Stock Exchange, is offering \$20 million of 15-year bonds bearing an expected coupon of 9-to-91/2 percent. The bonds will be convertible into common stock at a premium of 12to-15 percent over the prevailing

> Prices in the Deutsche mark sector eased last week as the mark weakened against the dollar. Bankers reported an angry reaction to the government's decision not to finance its job-creation program through an increase in the valueadded-tax. As a result, the government is now expected to borrow an additional 6 billion DM in the public market, putting additional ipward pressure on rates.

10-year bonds bearing a coupon of 8% percent. Pricing, expected at Bowater International Eurock

The issues on offer include · Austria, 100 million DM of

bonds bearing a coupon of 81/2 percent. Pricing, expected at 991/2, is • Helsinki, 50 million DM of

Finance, guaranteed by Bowater, 50 million DM of seven-year

10-year bonds bearing a coupon of percent and offered at 99% to yield 8.99 percent. Barclays Bank is scheduled to offer 100 million DM of 12-year bonds bearing a coupon of 8% per-

The capital market subcommittee meets on Friday to set the calendar for the coming month.

W 120 124	
Eurobond Yields*	
Week Ended May I	2
Int'l inst. lg. term US\$	14.45
Ind. long term, US\$	14,29
Ind. medium term, USS .	15.73
Can.\$ medium term	15.82
French fr. medium term.	16.86
Int'l inst, lg term yen	8.09
ECU medium term	13.77
EUA long term	12.08
Int'l inst. lg term LF	11.59
FL long term.	11.61
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Market Turnover

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Banque Européenne de Crédit Boulevard du Souverain 100 B-1170 Brussels tel. 6604900 tix 23846

BOARD OF DIRECTORS Jan S. Steen Wood Gundy Limited

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Kidder, Peabody International

Mohamed S. Younes

Credit Suissa First Boston

Clearance System Public Limited Company

1981 HIGHLIGHTS

*Turnover up 59 per cent to record \$242 billion. Value of securities in the system up 42 percent to \$58 billion at year-end, and now standing at over \$70 billion.

*Bridge fee to Cedel cut twice, saving members over \$1 million a year

*85 per cent of all instructions received during the year in computerised form, reflecting considerable expansion of EUCLID time-sharing system which now has over 230 active users.

*New link with SWIFT network allows transmission of payment instructions for Euro-clear participants also members of SWIFT.

GROWTH OVER SEVEN YEARS

1975	1976	1977	1978	1979	1980	1981
566	653	770	856	974	1,056	1,162
2,570	3,244	3,969	4,747	5,450	5,738	6,463
4.9	9.4	15.6	21.4	29.4	40.7	58.0
14.3	37.0	64.1	78.1	99.1	1524	242.0
1,969	3,184	4,185	5,153	5,324	6,815	7,052
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This announcement appears as a matter of record only.

NEW ISSUE



U.S. \$350,000,000

New Zealand

Floating Rate Notes Due 1987

Kidder, Peabody International

Arab Banking Corporation (ABC)

Banque Nationale de Paris

Banque de Paris et des Pays-Bas

Amro International

County Bank

Credit Suisse First Boston

Deutsche Bank

Commerzbank

Fuji International Finance

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Swiss Bank Corporation International Union Bank of Switzerland (Securities) S. G. Warburg & Co. Ltd.

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Kredietlux Indices

Equatorial Guinea Asks Spain for Economic Aid The Associated Press MADRID — President Obiang Nguema Mba Nzogo has returned to Equatorial Guinea after a threeday state visit to Madrid to seek economic support from Spain, from which his country won inde-

Before leaving Madrid, Lt. Col.

Obiang Nguema said he was hopeful that his trip was going to yield "wide fruit," although he did not elaborate. He said his government

would provide every sort of guarantee to Spanish investment in his

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Consolidated Trading Of AMEX Listings

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Consolidated Trading Of NYSE Listings Week Ended MAy 14 1982

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Issues Trades in: 2121

268,720,000 shores 298,740,000 shores 208,890,000 shores NEW YORK 1AP)— The following quoto-tions, supplied by the National Association of Securities Dealers, Inc., tru the prices of which these securities could have been said (Not Asset Value) or bought (value plus sale) Charbel Priday.

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Pirates' Lacy Runs His Grand Slam Into Single

From Agency Dispatches

PITTSBURGH — Lee Lacy's
three-run, eighth-inning single —
which would have been a grandslam home run except for a baserunning mistake — lifted Pittsburgh to an 8-7 victory Friday
night curst Cincinnati night over Cincinnati.

Lacy's none-out shot off reliever Tom Hume cleared the right-cen-ter-field fence for a homer, but

called out, turning the hit into a

Lacy's blunder cost him his first career grand slam. "It was a very unfortunate mistake," he said. "I hope it doesn't happen again."

Lacy said he felt Moreno should have given him "a little more room," but Moreno said he was worried that the ball might not clear the fence. With nobody out Lacy passed teammate Omar I was making sure the ball wasn't Moreno on the basepaths and was caught," Moreno said.

Driver Gordon Smiley was killed Saturday while attempting to qualify for the May 30 Indianapolis 500. Smiley, 36, died instantly of head injuries when he lost control of his

car and slammed head-on into the third-turn wall during a warm-up lap. It was the 62d death at the Indianapolis Mo-

tor Speedway since the track was built in 1909 and the first

since 1973, when Swede Savage was killed during the race.

Braves 2, Cardinals 1

In Atlanta, Biff Pocoroba's two-out ninth-inning homer lifted the Braves over St. Louis, 2-1.

In Philadelphia, Steve Carlton pitched a no-hitter for 7½ innings before settling for a two-hitter in pitching the Phillies past San Francisco, 2-0. Carlton's no-hit bid was

FRIDAY BASEBALL

snapped by rookie catcher Bob Brenly, playing his first game of the year, with two out in the eighth. Brenly hit a clean single to left on a 2-0 pitch.

Dodgers 4, Mets 1 In New York, Fernando Valen-

zuela scattered seven hits and Dusty Baker hit a homer in the sixth, enabling Los Angeles to beat the Mets, 4-1. Expos 8, Padres 7 In Montreal, Andre Dawson de-

livered a two-run single in the eighth to give the Expos an 8-7 vic-tory over San Diego.

Cubs 6, Astros 3

In Houston, doubles by Bump Wills, Bill Buckner and Gary Woods and a triple by Larry Bowa highlighted a five-run sixth that beat the Astros for the Cubs, 6-3.

Tigers 4, Twins 2

In the American League, in Detroit, Kirk Gibson hit a two-run home run in the 11th, his fifth hit of the game, to lift the Tigers to a 4-2 victory over Minnesota. The game was marred by two benchclearing brawls. The first occurred in the fourth inning. After Mike DeJohn singled, Detroit's Chet

Lemon was hit on the wrist by a fastball from Pete Redfern Lemon charged the mound, jumping on Redfern as both benches emptied. The second incident came in the 11th, after Detroit's Enos Cabell was brushed back by a fastball from Ron Davis.

Rangers 4, Blue Jays 3

In Arlington, Texas, Doug Flynn, who drove in the tying run in the ninth, scored Larry Parrish with a sacrifice fly in the 11th to defeat Toronto for Texas, 4-3.

Brewers 2. White Sox 1

In Chicago, Gorman Thomas hit two homers and Rollie Fingers picked up his seventh save to en-able Milwaukee to snap a fourgame losing streak with a 2-1 triumph over the White Sox. Angels 5, Indians 2

In Anaheim Calif., Bobby Grich delivered a two-out, nebreaking single in the fifth and saved two runs with clutch fielding in the seventh as California beat Cleveland, 5-2.

Orioles 11, Mariners 4

In Seattle, Dan Ford hit a three run homer and John Lowenstein went 3-for-4 to lead a 16-hit attack that carried Baltimore past the

Mariners, 11-4.

In Oakland, Calif. Dave Winfield hit a three-run homer to highlight a five-run seventh that gave New York a 7-4 victory over

> **More Sports** On Page 21

Published every Monday, this is a compilation of senior positions published in the INTERNATIONAL HERALD TRIBUNE and other selected publications. Comments concerning this feature can be addressed to Juanita Caspari in Paris.

POSITION	ION SALARY EMPLOYER LOCAT. QUALIFICATION		QUALIFICATIONS	CONTACT	Source	
SALES EXECUTIVE	Based on previous exp. & qual.	Reuters.	Bahrain, Sandi Arabia	Middle East blight; Eng. + gend knowl. Arabic; proven sales mps; 28-39.	The Recuritment Offices, Reuturs, 85 Floot St., London EC4P 4A1.	LH.T. 6-5-82
BUYING AND MARKETING	£15-26,000 tax free	Chain of supermarkets,	Sandi Arabia	30-40; worked with large group with respons. for gross profet; physically robest.	Ref. IR/1696/HIT, Robert Lee Int'l, 24 Bestobey Suparts, Landon WTX GAR.	LR.T. 6-5-82
DIRECTOR BUSINESS DEVELOPMENT	c. £20,850 + car	Mechanical construction.	Dablis er U.K.	38-45; impressive success record in major mechanical const-related contracts; extensive travel.	Ruf. SM 49/539 H/HIT, På Management Dencultants, Name Berse, Ballshridge, Bublic 4.	I.H.T. 6-5-82
COUNTRY MANAGERS		fine of tap ten world chemical co. (technical service & dvipt.).	Abidizas 2 Tunis	Briv. dog. in agricultate; about 5 yrs. exp. related Rolds; Fr. + knowl, Eng.; high dog. of tech. competence & common, skills.	J.M. Sierre, PA Conseiller de Hirection SA, 16 Bd. Hebbitique, CB-1207 Genera.	IE.T. 6-5-82
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GENERAL MANAGER Saudi Arabia	Dver 528,848	Consumer Trading.	Sanji Arabia	Several yes, senior mogt, exp. in consumer gueds trading, graves success record in similar multiflunctional rules.	Rof. CB-1166-3, C. Bezen, MSI, Middle East, 55 Erosvoor Gardens, Landon SW1W BAW.	LALT. 8-5-82
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DIRECTOR OF ENGINEERING	Attractive + hemitis	Karf-State Ab + Saudi Basic Ind. Corp.	Al-Johail Sandi Arabia	Masters Degree Engineering, Il years exp.; management + Middle East exp., English.	Korf-Stahl AG, Per, Bep. Molthestr, 15, 0-7578 Bades-Baden, W. Germany.	Frankfort All. Zeitus 8-5-82

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GENERAL MANAGER Saudi Arabia	Dver 526,888	Consumer Trading.	Sanji Arabia	Several yes, senior most, exp. in consumer guards trading, graves success record in similar multifunctional rules.	haf. CB-1166-3, C. Bexon, MSI, Middle East, 55 Grasvoor Gardens, Landon SW1W BAW.	LALT. 8-5-82
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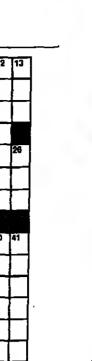
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Edited by Eugene T. Maleska





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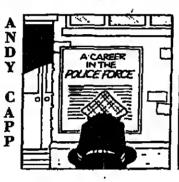












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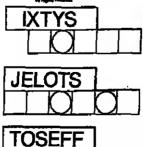
DENNIS THE MENACE

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YUP. I WAS RIDIN'A HORSE BEFORE I WAS ABLE TO WALK."







WHY IT MIGHT BE CONSIDERED YULGAR TO SING IN THE BATHTUB. Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Print answer here: Jumbles: GRIPE HUMAN RATHER MIDWAY

Answer: When do two apples aound alike?--WHEN "PARED" (paired)

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POETS IN THEIR YOUTH: A MEMOIR

BOOKS

By Eileen Simpson, 272 pp. \$15.50.

Random House, 201 East 50th Street, New York, N.Y. 10022. Reviewed By Anatole Broyard

EILEEN Simpson has a marvelous terrible poetic bender. It would need story to tell in "Poets in their another poet, a very good one, to de Youth," but she doesn't tell it very scribe John Berryman. Youth," but she doesn't tell it very well. For someone who was surroundwell. For someone who was surrounded by literature all her life, she doesn't more Schwartz, Randall larrell Rob seem to have picked up much feeling for language, or even the knack of Roethke, Dylan Thomas—a regular bringing off an anecdote. Because she was married to a good poet and saw other good poets almost every day, she may have felt called upon to adopt a self-effacing tone—but such a tone is the most difficult of all, requiring extreme precision and the of the time you'd never know the second seems of the time to the second seems of the se a tone is the most difficult of all, to both most and have know that quiring extreme precision and the of the time you'd never know that ability to dance out of the way when there was a landscape outside. Mining ability to dance out of the way when she's not wanted. Instead, she's like or Princeton, or Cambridge. the person whose shadow always shows in the photograph as she holds the camera.

ryman, one of our best poets, one whose work passed through so many implicit emotional revisions that when you saw the finished product you felt that you were reading a suicide note written after a dozen other, more flamboyant ones had been torn up. In his "Dream Songs," John Berryman's poetry was like the mutterings of a man who has been so seized and was liked elements that he self just this side of sanity. Why the wracked by failed eloquence that he

can only sing his hypochondria.

He wrote, once he had found his voice, what Wallace Stevens, in "The Man on the Dump," called "the jani-tor's poems of everyday." They had the "elephant-colorings of tires." As

One sits and beats an old tin can, lard pail.

One beats and beats for that which one

That's what one wants to get near.

"It is to sit," he continued, among mattresses of the dead.

Bottles, pots, shoes and grass and murmur aptest eve: It is to hear the blatter of grackles.

This is the kind of man Simpson married, and perhaps no one could catch him as he was because he was so odd, he had taken poetry so far from where it began, down so many back streets. The pain in his poetry was what Raymond Queneao called "ontalgia." His "Dream Songs" were a dissonance that you could appreciate only if you knew all the harmonies. It's oot certain that what he wrote at the end was poetry: it sometimes seemed instead that this is how your mouth tasted, how your breath smelled, how your head ached the next morning if you had gone on a

Solution to Friday's Puzzle



Privilege of Angels

How awesome they were he camera.

Simpson was married to John Bersyman, one of our best poets, one whose work passed through so many mplicit emotional revisions that when you saw the finished product you felt that you were reading a suicide note written after a dozen other, more lambouant ones had been torn up. In "Poets in Their Youth" makes you

reader wonders, was it so very hand for this particular group? Was it he cause of the times, because they fadbecome as Stevens said, too conscious of too many things at once?

Nobody could say more providly than they that

I have said no To everything in order to get at myself.

I have wiped away moonlight like

But is the self enough? That's the question Simpson leaves us with as we see John Berryman, Robert Lowell and Delmore Schwartz in particular distilling and distilling the self-like al-chemists fuming over their alembies. One thinks in self-defense of the other poets who were able to go on living or pretending to live, while they wrote, who worked unlaceratingly at other jobs, raised and prized their other jobs, raised and prized their children, refused to mm their wives into keepers or sweepers.

Blank Despair

Yes, of course, writing, any kind of serious writing, is hard, but one re-coils at so much melodrama, so much untidiness, such a conspicuous con-sumption of the self. Perhaps Mrs. Simpson too is stunned. Perhaps she too wonders what hit her, and has trouble controlling her voice. She sounds like someone talking out of an immense bereavement, not just of a busband she divorced and who killed himself, but a bereavement of poetry, a terrible war of words that left the survivors, the ex-wives and the friends, blinking and blank.

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Wet

iontre

, F.

Afinai,

People dying painfully in hospitals sometimes emit beautiful cries and the visitors don't know whether to cover their ears or applaud. That's what it's like reading "Poets in Their Youth." The reader is filled with admiration and sympathy and guilt, but after a while you just want to get away, you don't want to read anymore by this

Anatole Broyard is on the staff of the New York Times

BRIDGE

By Alan Truscott

ON the diagramed deal South had to struggle against a bad trump split. She bad faced an akward bidding problem after her partner had opened one diamond and her opponents had overcalled in hearts and raised that suit. She was rigidly relucraised that sint. She was rightly reluc-tant to sell out at the two-level, and chose to rebid her feeble five-card spade suit, knowing that this action would suggest a six-card suit.

Some expert partnerships have an agreement that a double by South in this posicion would be competitive rather than for penalties since East-West have found a fit. North could then pass for penalties, and an open-ing trump lead would leave East in trouble.

As it was, West had to resist the temptation to double two spades.

Hearts were played, and South ruffed the third round and played diamonds. She ruffed the third round with the spade six, but West was able to overwith the eight.

West was now in difficulty, and gave South some help hy breaking the club suit. East's queen was taken by the ace, and South finessed the nine

successfully and cashed the king. Since it was clear that the trumps were banked on her left, South continued to avoid trump leads. She led the last heart from dummy and discarded her last club.

West had to ruff her partner's heart winner and play trumps, so South took two of the last three tricks, making her contract for a top score.

NORTH **▽10865** OAK82 **♣**K97 **49** ♥AKQJ 096 SOUTH (D) ◆ A10763 ♥43 **♣**A1064 Fast and West were vulnerable. The

South Pass Pass Pass

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Olberding: "They've got a lot of ammo. If they continue to play like this, they will be world's champi-ons. Rich Kelley [of Phoenix] said

they ran into a buzz-saw. We did

Julius Erving contributed 17 points and Darryl Dawkins had 16

as the 76ers snapped a 44-44 tie with 3:31 left in Sunday's first half

and never trailed again. They out-scored Boston 11-4 in the final

3:49 of the second period for a 55-48 halftime lead.

Boston closed the gap to 72-67 with 3:28 left in the third quarter,

but Philadelphia then went on a 12-2 tear for an 84-69 lead. Boston

failed to score in a span of 4:17

during the 76er rally.
The Celtics scored only 21

points in the final quarter as Phila-

delphia, keyed by Toney, Bobby Jones and Dawkins, turned the

game into a rout. Boston never got

closer than 10 points in the last pe-

Robert Parish led the Celtics

with 18, while Larry Bird had 17 and Cedric Maxwell and Kevin

In Saturday's Game 3, Toney

scored eight of his 16 points in the fourth quarter to help Philadelphia

fend off a frantic Boston rally. The

Celtics, playing without guard Nate Archibald, who suffered a dislocated shoulder before the

game was two minutes old, trailed

by 14 points early in the fourth

quarter but came back and cut the deficit to a single basket on Bird's

Philadelphia missed a shot on its

next possession, and Boston came

down-court with a chance to tie. Rird threw up a 22-footer with eight seconds left that missed the

mark and Cedric Maxwell came up

with the offensive rebound but saw

his hook shot rim out. Maxwell got

jumper with 43 seconds left.

McHale each 14.

Jockey, 16, Guides Aloma's Ruler To Half-Length Preakness Victory

By Dave Kindred

BALTIMORE — The cowboy hat wasn't all that big, actually less than half the size of Nebraska, and only three estriches had sacrificed their best feathers for Jack Kaene's hatband. What you noticed, even from the next planet out, was that here was a star - I6 years old, tough-kid cute and the wining rider in Saturday's Preakness

Here he came — the youngest jockey ever to win a Triple Crown event — with folks calling out,
"Ride him, Cowboy," and Kaenel
was all smiles, twirling his whip, happy as all get-out, just the way would have been a minute after teaching an old guy to respect his Keenel lifted his lid to the crow and it was easy to think he had won a zillion big deals instead of, yes, just this first one.

Kaenel had guided Aloma's Ruler to a half-length victory over Linkage, the 1-2 favorite. Cut Away, the 41-1 long shot in the field of seven 3-year-old colts, was 6% lengths behind Linkage and



Kaenel in favorite headgear Happy as all get-out.

Bold Style was two lengths farther back in fourth. Aloma's Ruler, a bay by Oron Ruler-Aloma, earned \$209,900 in winning his third race "He said I rode a fine race," bay by Oron Ruler-Aloma, earned \$209,900 in winning his third race in four starts lifetime.

"You're 2-for-2 against Shoe," someone said to Kaenel, whose horse outran Bill Shoemaker's in the stretch of the Selima Stakes at Laurel last fall. "Do you call him

"No," Kaenel said. "Mr. Shoe-At 50. Bill Shoemaker is regal. Shoemaker won three Kentucky

Derbies before Kaenel was born. His left leg curled, Shoemaker had let someone hoist him onto the Saturday's prohibitive favorite.
One place over in the saddling ring, Kaenel fairly leaped onto Aloma's Ruler, a 6-1 shot.

Bold Thief

Then the kid stole the race From the outside post position, Kaenel caused Aloma's Ruler to break quickly across the field and to the rail. That is bold work if you can find it. Kids find it. Shoemaker found a comfortable spot a horse or two off the rail. There he

sat, waiting What Shoemaker does best anymore is wait for his horse to run down the leaders. Nothing wrong with that, unless the leader happens to he a strong horse running slowly, in which case it is incumbent on all riders, even senior citi-

zens, to wake up to the fact that some cocky kid is outfoxing them.
"I didn't think I could get by going that slow," Kaenel said. Honest, too, this kid. Aloma's Ruler ran the first half-mile in 48 seconds - better than walking, but not by much. About then, the kid looked to see what the old fel-

low was up to. "I saw Leroy riding his horse hard," Kaenel said of Leroy Moyers on Bold Style. "And Link-age was outside him. I figured he would be closer than that then, I was confident because I wasn't riding my horse. I had plenty left." Aloma's Ruler ran the next halfmile in :48.2 seconds and then, by which time some little alarm clock had wakened Shoemaker, Aloma's Ruler led the crowd into the

"I was in a good position all the way," Shoemaker insisted. "My horse ran great, but his did too. My horse was gaining at the finish, but he ran out of time."

The kid in the cowboy hat, hav-ing ridden a race perfect in its

Alouettes of CFL Disbanded; **Montreal Gets New Franchise**

REGINA, Saskatchewan — The Canadian Football League has ap immediately on the 1982 football proved a new football franchise for season. Training camps open in Montreal, filling a void that was two weeks. left when Neison Skalbania folded

in Hong Kong that he was with-drawing the financially troubled Alouettes from the league. CFL have \$2 million to get the franchise Commissioner Jake Gaudaur said off the ground and expect to lose it normally takes three years for an \$1.5 million in the first year of opowner to withdraw a franchise af- cration. ter notice is served. The league constitution, however, allows an immediate withdrawal with unani-

Gandaur said that approval was given, disbanding the Alouettes and paving the way for formation of a new team, which will be here. of a new team, which will be head-refused to assume Skalbania's ed by Charles Bronfman of debts, the team will accept assign-Seagram's distillers and chairman of the board of the Montreal Ex-

pos baseball team.
At a news conference Friday in
Montreal, Bronfman said: "We truly felt it was in the interests of the Canadian Football League and Montreal football fans that we the field, and Pfohl remains intruly felt it was in the interests of ake the stewardship of the new franchise and offer through that

franchise the complete cooperation of the Expos organization."

Alouettes, Gaudaur said he wanted the organization to start work

Bronfman's partners are former the Alouettes.

Skalbania served notice with the league Thursday through lawyers Maislin and Montreal businessmen Lorne Webster and Hugh Hallward. Bronfman said they

Skalbania, acting on the advice of Bill Putnam, the man he placed in charge of the Alouettes last year after buying the club from Sam

ment of the player contracts with the exceptions of quarterback Vince Ferragamo and offensive tackle Larry Pfohl Ferragamo, signed as a free agent last year to a debted to Skalbania.

Berger, however, has filed a court action to place a seizure on the Alouettes in an effort to recov-On Thursday the CFL board of governors approved an expansion franchise for the Halifax-Dart-When asked whether the trans-

mouth area, assessing a \$1.5-milion franchise fee. But there was no
franchise fee involved in the new
Montreal team, because of the financial troubles incurred by the

when asked whether the transfer of the player contracts would
be declared null and void if Berger's seizure was upheld, Max Bernard, Berger's lawyer, replied:

"That's quite conceivable."

U.S. Super-Heayweight Biggs Winner In Final of World Boxing Competiton

MUNICH — Tyrell Biggs of the United States became the first the country's top amateurs were world champion in the new super heavyweight class by outpointing European champion Francesco Damiani 4-1 in Saturday's finals of the World Amateur Boxing Cham-pionships here. Biggs had bttle trouble against the Italian boxer, who had scored a stunning upset Wednesday over Cuba sensation Teofilo Stevenson.

The victory gave the United States its third gold medal and 38 team points. Cuba was the overall winner with five gold medals, one silver and one bronze for 47 points, while the Soviet Union was third on three golds, two silvers, one bronze and 35 points. U.S. boxers picked up two silver and two bronze medals.

Thompson Wins Paris Race

PARIS - Ian Thompson of Britain won the Paris Marathon Sunday, covering the 42.2 kilometers (26.4 miles) in a time of two hours. 15 minutes 45 seconds. Frenchmen Bernard Bobes, in 2:16:38, and Bernard Faure, in 2:17:09, were second and third, respectively.

killed in a plane crash near Warsaw, on their way to an exhibition

tour with Polish boxers.

Biggs' victory followed a stunning performance by teammate Mark Breland, who battered twotime European welterweight champion Serik Konakbeav of the Sovi-

et Union.
U.S. bantamweight Floyd Favors outpointed European champion Viktor Mirozhnichenko of the Soviet Union in three rounds. Judges gave Favors a 3-2 edge over the 1980 Olympic silver medalist despite Favors' being floored by a hard right in the second round.

Soviet flyweight Yuri Alexan-Mohorodney (1), California, Clork (1), Mohorodney (1), Mohorodney (1), California, Clork (1), California, Clork (1), California, Clork (1), California, Clork (1), Ca Judges gave Favors a 3-2 edge over

of the United States, who displayed an aggressive style but took several telling body blows.

Other victors: light-flyweight Ismail Mustafov of Bulgaria, featherweight Adolfo Horta of Cuba and light-welterweight Carlos Gar-

> More Sports On Page 19

Kaenel is a rider's son. All over the West, from Nebraska to Missouri to Kansas to Alberta, with a stop in Montana, Dale Kaenel worked bush tracks where no one much cared if his kid, then only 10 or 11, was riding with the grown-

Pete Axthelm, in his biography of Steve Canthen, says the kid could do magic at 16 because somehow — no explaining it — he came equipped with the life forces and experiences of his father and mother, both lifetime horse people. Kaenel comes with that stamp, too, and you knew it 15 minutes after the Preakness when be said This is me. That winner's circle is

For 81 days last summer, Kaenel sat out a riding suspension handed down when it was discovered he was only 15, a year too young for such work. The day he came back he rode three winners. Though he fared poorly at Saratoga last summer, he now is hot So bot that fate rides with him

even on the expressway. Four days ago, Kaenel's Cadillac was destroyed by a station wagon that turned him on his head. "Shows you what racing can do for you," Kaenel said then, only shaken up. "I went from an '82 Eldorado to a '65 Mustang in one

From Agency Dispatches
DETROIT - Lance Partisb

homered in the bottom of the 10th

inning here Saturday to give the Detroit Tigers a 5-4 victory over

Minnesota. Parrish's one-out home

run, his fourth of the season, came

off reliever Darrell Jackson (0-4)

Minnesota tied the game, 4-4, in the seventh when Bobby Mitchell led off with a triple over center fielder Kirk Gibson's head and

came home on Randy Johnson's

Prior to the game, umpire Larry

Gardner of Minnesota to

Barnett had met with managers

Sparky Anderson of Detroit and

warn them against any recurrence of the brawling that had broken out twice during Friday night's

Red Sox 10, Royals 5

hitter Tony Perez drove in three runs and Dave Stapleton added a

In Kausas City, Mo., designated

sixth homer of the year.

on a 2-2 pitch.

Kids. Ain't they great?



Jack Kaenel happily raised his whip after winning the 107th running of the Preakness Stakes Saturday aboard Aloma's Ruler.

Blue Jays 5, Rangers 2

In Arlington, Texas, Barry Bon-nell tripled in one run and hit a

two-run homer, and Jim Clancy

pitched a four-hitter as Toronto

Brewers 8, White Sox 3

in four runs with a double and a

single, and Don Money hit a two-

run double in a three-run eighth as

Milwaukee ran up 13 hits in beat-

Padres 6, Expos 2

In the National League, in Mon-treal, Chris Welsh pitched a four-

hitter and drove in two runs to

help San Diego break a four-game

losing streak with a 6-2 triumph

Mets 6, Dodgers 4

In New York, Joel Youngblood

hit a three-run homer in the first

and Hubic Brooks drove in two

ing the White Sox, 8-3.

over the Expos.

In Chicago, Cecil Cooper drove

Parrish's Home Run in 10th Downs

homer to lead Boston to a 10-5 vic-

A's 7. Yankees 3

Murphy and Jimmy Sexton homered to aid the six-hit pitching

of Rick Langford as the A's beat

Mariners 3, Orioles 2

In Seattle, Julio Cruz lofted a

single down the left-field line with

one out in the ninth to score pinch

SATURDAY BASEBALL

runner Thad Bosley, lifting the

Mariners to a 3-2 victory over Bal-

Angels 9, Indians 6

In Anaheim, Calif., a three-base error by Cleveland center fielder

Von Hayes helped California score

two unearned runs in the seventh, giving the Angels a 9-6 victory.

In Oakland, Calif., Dwayne

tory over the Royals.

New York, 7-3.

Lakers Sweep Spurs to Gain Final; 76ers Take 3-1 Edge Over Celtics

From Agency Dispatches

SAN ANTONIO, Texas — Earvin (Magic) Johnson and Jamaal
Wilkes sank two free throws apiece and Bob McAdoo stole an inbounds pass and scored in the final 17 seconds here Saturday night as the Los Angeles Lakers beat the San Antonio Spurs, 128-123, and advanced to the National Basketball Association championship series. The Lakers won Game 3 of Western Conference finals, 118-108, here Friday.

هكذمن لأعرب

In Philadelphia, meanwhile, the 76crs defeated the Boston Celtics,

99-97, Saturday night and 119-94 Sunday afternoon to take a 3-1 lead in their best-of-seven Eastern Division championship series. In Sunday's Game 4, the 76ers'

Andrew Toney scored a playoff career-high 39 points. Toney hit 14 of 20 from the field and 11 of 12 at the foul line. On Saturday, Manrice Cheeks scored 18 points and came up with a game-saving steal in the last second to give Philadel-

phia its two-point victory.

The Lakers eliminated San Antonio in four straight games after downing Phoenix in four straight games in the conference semifi-nals. The 1950 Minneapolis Lakers bold the NBA record of nine consecutive playoff victories.

tive," said Laker coach Pat Riley. Norm Nixon scored 30 points Saturday, McAdoo came off the bench for 26, and Johnson and Kareem Abdul-Jabbar had 22

Twins, 5-4

Pirates 12, Reds 9

homer in a nine-run third, and

Phillies 5, Giants 3

Astros 4. Cubs 1

the first National League pitcher to win six games by allowing only

three singles and striking out six while leading the Astros to a 4-1 victory over Chicago.

Cardinals 7, Braves 6

scored on a throwing error by re-bever Gene Garber (4-2), and Lon-

nie Smith added a three-run homer

in the 10th inning to power St. Louis past the Braves, 7-6.

Major League

Standings

NATIONAL LEAGUE

AMERICAN LEAGUE

ln Atlanta, Ken Oberkfell

In Houston, Don Sutton became

over Cincinnati.

San Francisco.

apiece in the winners' balanced at-

The lead changed five times in the final five minutes. The Spurs' Johnny Moore hit an 18-foot jump shot with 1:50 to make the score 122-122 — and the game remained tied for the next 1:23, until Johnson was fouled by Mark Olberding and put the Lakers ahead to stay with two free throws. San Antonio scored only once

Mitchell, which made the score 124-123. On the next possession, Mike Bratz fouled Wilkes under the basket to prevent an easy lay-up, and Wilkes converted the two

NBA PLAYOFFS

The record was a big incen-

eight seconds left. After a San Antonio time-out, McAdoo stole the inbounds pass and drove for the stuff and the final two points.

free throws for a 126-123 lead with

after that, on a free throw by Mike

The lead changed six times early in the first quarter until Nixon scored nine points and Los Angeles took a 36-27 lead. George Gervin scored 14 points in the second quarter as the Spurs rallied to cut the lead to 66-64 at halftime.

In the third quarter, Gervin scored five straight baskets in the first 2:10 to help give San Antonio a seven-point lead. But Abdul-Jabbar and Nixon scored 10 points each in the period, and Los Angeles led, 96-95, entering the fourth quarter. Gervin fouled out with 6:10 left after scoring 38 points; Mitchell added 30.

Pulverizing

In Game 3, Nixon led a pulverizing fast break and scored 22 points. Abdul-Jabbar had 26 and reserves Michael Cooper and McAdoo combined to add 35 more. The Spurs got 39 points from Gervin but as a team shot poorly, falling behind early under heavy pressure from a half-court lead the Mets to a 6-4 decision over Los Angeles. trapping defense. Nixon led the break after every

San Antonio miss, and either took the shot himself or passed off effectively.

In Pittsburgh, pitcher Rick Rho-den had a double and a two-run-"Norm does so many things well - he's the very best at what he does," Magic Johnson said, "We Johnnie Ray drove in five runs to had a great combination going for lead the Pirates to a 12-9 victory

The Lakers led by 13 at half-time, and when the Spurs cut the margin to eight with 7:22 left in In Philadelphia, Gary Matthews the third quarter Abdul-Jabbar redrilled a two-run homer to highlight a three-run eighth and sponded by scoring five straight to give the Phillies their sixth consecwiden the lead to 77-65.

"I never thought we'd take them utive victory, a 5-3 triumph over 4-0, but it worked out differently, said Abdul-Jabbar.

Recalling how the Houston Rockets eliminated the Lakers in a first-round mini-series last year,

Abdul-Jabbar said that this time "we've been turning in a consistent team effort, that's the key." Said Johnson: "It doesn't matter whom we play next. We just want

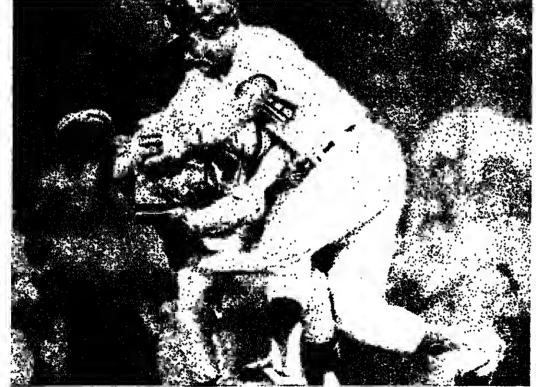
said the dejected San Ante coach, Stan Albeck: "The way they're playing, they're capable of winning it all. Awesome."

another rebound but Erving blocked the shot back into Maxwell's hands. Then, as Maxwell dropped the ball down to his waist to fire up another potential gametying shot, he was stripped of the by Cheeks as the buzzer

sounded. Erving led the 76ers with 19 points, and Bobby Jones added 18. Maxwell led Boston with 18, and McHale and Gerald Henderson added 16. Bird scored 15 and added 13 rebounds and 11 assists.

Erving's jumper with 11:09 to go gave Philadelphia its biggest lead of Game 3 at 84-70. The 76ers went the next 4:05 without a point, and Maxwell scored four points in an 8-0 surge that enabled Boston to get back into the game. But the 76ers again spurted behind Toney and Jones, and a pretty pass from Jones to Erving for a lay-up seemed to give Philadelphia control of the game at 97-87 with 3:27 But the 76ers scored only two

straight points to draw within 87-93 on a pair of free throws by Hen-derson with 1:51 remaining and set Commented Spur forward Mark up the hectic finish.



Detroit's Chet Lemon charged the mound and tackled pitcher Pete Redfern after Lemon had been hit by a pitch in the fourth inning Friday night. Both benches emptied and began brawling — as they did again in the 11th after the Twins' Ron Davis brushed back Enos Cabell with a fastball.

Friday and Saturday Major League Line Scores

Suffer, 2-0. L.—Garber, 4-2. HRs—St.Lauis, LaSmith (5), Atlanto, Chambilas (5), Cikcago D1000 (60—1) 8 Houston 100 NT 01z—4 8 0 Jackins, LaSmith (5), W.Hernandez 177, Campbell (8) and J.Davis: Suffen and Ashby, W.—Suffer, 6-1, L.—Jenkins, 2-4. Saturday's Results AMERICAN LEAGUE

Boston 210 050 920—18 11 8

Karsats City 000 001 400— 6 8 2

Torrez. Clear (7) and Altenson; Blue, J.Wright
(2), Black (5), G.Jackson (5) and Worknon, Culrik
(9), W—Torrez, 3-2, L—Blue, 2-4, HRs.—Boston,
Stopleton (3), Kansats City, Brist (5).

Altenseold 011 001 000 1—5 9 8

Fitson, Fetton (3), R.Davis (8), D.Jackson 19;
and Loudner, Butern (9); Wilcon, Seas 1101 and

LM.Parrisk, W— Seec. 3-1, L—D.Jackson, 0-4,
HRs.—Allenseold, Brusensky (1), R.Jackson (6).

New York 080 620 300—3 6 1

R.May, Frezier (7) and Wysspar; Lansford AMERICAN LEAGUE Campbell (8) and J.Davis; Suffan and Ashby, W-Suffen, i-1, L.—Jenkins, 2-4.

Los Acquetes 190 201 900—4 7 0 New York 400 620 680—6 8 2 Power, Stewart 12), A.Pena (5), S.Howe (7) and Sciencia; Pulsa, Zochry 15), Allen (7) and Storras, W.—Zochry, 2-1, L.—Power, 6-1, HRs—Los Angeles, Guerrero (8), New York, Youngblood (2), Son Fruncisco 001 208 000—3 7 1 Philodelphila 000 161 62x—5 4 1 R.-Martin, Schatzader (7), Minton (8) and May: Christensen, Lyle (9) and B.Dioz, W.—Christensen, 3-2, L.—Alleriun, 2-3, HRs—San Francisca, Summers 121, Philodelphila, Dernier (1), Marthews 13).

Cincinnat) 600 881 (035—9 10 1 R.Mary, Frazier (7) and Wynesor; Linsaford and Newman, W—Lonstord, 3-5. L—R.May, 0-2. HRs—New York, Gamble (2), Wynesor (2). Ookland, Murchy (8), Sexton (1). Boltimore ose ecz coo—2 6 2 Sectite 101 000 cot—3 11 0 McGresor and Demasey; M.Moors, Vonderbers (7), Coudill (8) and Ballina. W—Coudill, 4-1. L—McGresor, 4-3, HR—Ballimore, Lowenstein (6).

St. Louis 808 019 161 4—7 11 2.
Attenta 280 188 008 3—6 9 2.
J. Marrin, Littell 111, Koot (4), Rincor (5),
LuPeint (4), Bair (7), Sutter (8), Fersch (10) and
Tenoco, Sanchez (9); McWilliams, Bedrestan
(6), Garbor (9), Comp (10) and Benedict, W—

Ritoden (2).
Son Diego 000 120 210—6 & 1
Montreal Welsh and T.Kennedy: Leo, Gorman (4).
Br.Smith (7), James (9) and Corter, W—Welsh,
1-0, L—Leo, 1-2, HR—Montreal, Otiver (4). Friday's Results

removement (17. Leithermic, Clark (1).

Milmentate 003 600 603—6 13 1
Chicago 100 600 260—3 12 1,
Hoss, Bernard (7), Easterly 10), Fingers 19)
and Yest: Burns, Kossman (8) and Fisk, W—
Bernard, 3-0, L—Burns, 4-2. -Burns, 4-2. 208 420 881--5 10 2 • 980 882 600--2 6 2 Bernere, 24, L.—Surra, 22 Teroreto 200 420 501—5 10 2 Terore 000 622 500—2 6 2 Clancy and B.Martinez, Walth (8); Tosana, Schmidt (7) and B.Jahrson, W.—Clancy, 42, L.— Tanana, 1-5, HR—Tanana, Benneti (2). NATIONAL LEAGUE

AMERICAN LEAGUE Leel J.McLoughlin (8), R.L.Jockson (9) and Derrott
Redfern, 8.Costilio 141, Davis (9), Pelton (10)
ond Loudner, Butera (10): Peltry, Rozemo (17)
and L.Al.Parrish, Wockenfusz (11), W—Rozemo,
3-C.L.—Devis, 1-3, HR—Detroit, Gibson (4).
Mitwaukse (10) 100 000—2 7 2
Cnicopo 800 001 000—1 7 0

Sorensen, Whitson (& ond Hossey; Kison, Corbett (?) and Boone. W-Kison, 24. L-Sorensen, 32.

Bottlenere 22 500 110-11 16 1 lanta coach Hubis Record as his

P.Nickro, Garber (9) and Pocorado. W-Garber, 4-1. L.—Boir, 3-1. HRs—Alfanita, Ramifrez (2), Pocoraba)1). Son Francisco 000 000 000—0 2 8 Philodelphio 101 000 00k—2 10 6 Gole, Minton (8) and Braniv: Cartien and 8.Disz, W—Carthat. 4-5. L.—Gate, 1-3. Los Anceles 010 001 220—4 12 9 010 601 020-4 12 0 000 58) 500-1 7 8

Na. 5-3. L- R.Jones. 4 ong 3990713, w-Villemick, 5-1, L- R.Julies, 4-2 2. HR.—Los Angeles, Boker 171. Cincinnoti 500 091 810—7 9 3 Pitisburgh 001 001 321—8 12 0 Pittiburah 501 601 301—512 0 Seaver, B.Shirley (7), Kem (7), Hume (8) and Trevine; D.Robinson, Sarmianis (1), Rome (7), Tekulve (9) and T.Peno, W.—Remo, 3-1. L.—Kem, 0-3. HRs—Cincinciti, Bittiner (2), Driessen (3). San Diege 604 306 606—7 12 2 Mantreal 204 615. Littler (8) and

Lollor, Show (7), Lucas (8), Chilfer (8) and T,Kennedy; Burris, James 13), B.Smith 15), Gorman (7), Regriden 19) and Carter, W— Gorman I-0. L—Show, 3-1. Chicaso 500 005 001—4 11 1 Houston 500 001 200—3 9 5 Noles, Tidrow 16), W.Hermandez (7) and J.Davis; Knepper, Ruhie 16), Maffitt 177, D.Smith 19) and Asrby, W—Noles, 5-3. L— Knepper, 1-4. HR—Houston, Heep 11).

Holzman Steps Down As Knicks' Head Coach

NEW YORK - Red Holzman Borolos 19) and Fisk W—Staton, 3-0, L—Dorson, 2-4, HRS—Milwoukes, G.Thomas 2141.
Cleveland Union 0000002 4 2 tional Basketball Association team Celifornia 110 e11 oix-5 12 0 said that Holzman, 61, would re-22 010 110—11 16 1 lanta coach Hubie Brown as his 300 010 000—4 7 3 successor next week.

Continued

100 000 501—7 9 1

John. Erickson 141. Moreon (4). Rowley (8).

Gossope (8) and Wynespari (Koopal Search (7).

Owchinko (8) and Heath. W—Moreon 31. L—

Keough, 3-4. HR—New York, Winfield (5).

(Baston of Kongas City, sestponed rain.)

NATIONAL LEAGUR

St. Louis

Marcon and an annual and an arcticles with 606 victories and retires with 606 victories. ond only to Boston's Red Auerbach as the NBA's most successful

Kite Takes 2-Shot Lead In Colonial Golf Event The Associated Press

FORT WORTH, Texas - Andy North shot a 3-under-par 67 Saturday to take a 2-shot lead after three rounds of the Colonial National Invitation golf tournament. Jack Nicklaus struggled to a par

70, and was tied for second at 206 with Danny Edwards and Jerry Pate, who had respective rounds of 66 and 69. Lennie Clements, who led Nicklaus and Tom Kite by a stroke after Friday's second round, blew to a 75; Kite had a 74 to join Clements, Tom Purtzer, Roger Maltibie and Frank Conner at 210.



76er Maurice Cheeks had Boston's Gerald Henderson airborne with a laked shot Saturday night in Philadelphia. The 76ers won the third game of the NBA's Eastern Division playoffs, 99-97.

Transactions

BASEBALL
Anteriors Léague
DET ROIT--Pland Dove Rosema, pitcher, on
the 40-day emergency disobled list.
OAKLAND--Traded Rob Picciole, shortstop. o Milwaukee for Johnny Evons, first baseman, nd Mike Warren, pitcher. TEXAS—Placed Mickey Rivers, outfielder, on skee for Johany Evons, first baseman

TEXAS—Plocad Mickey Rivers, extiletion, on the disobled list retroactive to May 9. National League PHILADELPHIA—Announced the storing of Rowland Office, particular, to a contract with Oxionema City of the American Association. Reinstated Lan Matuszek, third beamon, from the 21-day disobled list and optioned him to Oxionema City.

the 21-day disobled list and options the color obtained list and options the printing pitcher. Signed Ken Reitz, infielder, to a free asent contract Purchased the contract of Routy Nemana, pitcher, from Pertiand of the Pocific Coast Laggue. Sent Briox Horper, catcherouffielder, to Portland.

BASKETBALL

Currencer, to Portland.

RASKETBALL.

Rational Basketball Association

KANSAS CITY—Announced that Leon

Kansten will become choimen of the board and

H-Paul Resembers will become board vice eresident.

NEW YORK—Announced the retirement of

Marienzi Football League
ATLANTA—Signed Stocey Balley, wide
receiver, and Regule Brown, running bock.
GREEN BAY—Normed Dave Hormer special
assistant in charge of quality control.

GOLLEGE
ARIZONA ST.—Nomed Doug Cellins and
Henry Bibby consistent backerboil conches.
ORAL ROBERTS—Mike O'Rourks and Terry

cott assistani başketbali CORTLAND—Bob Wali

PHILADELPHIA—Staned Milke Quick, wide receiver, and Jim Fritzsche, offensive tockle. 8EATTLE—Announced that Oon Dufek, safety, has opreed to a two-year contract.

WASHINGTON—Stoned Dwayne Dloughy, fight end; Rasple Evons, wide receiver; Albe-Jezulin and Mike Cornell, puglers; Rick Jones, quard; Bruce Kittle, guard; Tim Norman, tockle; Bennie Smith, defensive tockle; and Leon Williams, defensive book.

HOCKEY

Motiscoil Hockey League
LEAGUE—Suspended Terry O'Reitly,
forward of the Boston Bruiss, for tolkure in
spear of a discibilinary hearing May 7. The
hearing was to have dealt with an incident that

occurred during a playoff power April 25, when O'Reilly struck referee 'Andy von Hellemond. The suspension will remain in effect until O'Reilly appears for a disciplinary hearing.

SOCCER

Continued on Park

lish words.

identify a radical

organization or

leftist bureaucra-

cy. They also see

their irredentist

twice a year.

dismissing aoy talk of Commu-

nist givebacks as

ously apply

By William Safire

NEW YORK — As is well

or it's a given that (as the Ameri-

cans say), superpower adversaries have staked claims on certain Eng-

Communists have latched on to

liberation and people's; those

words in a title almost certainly

"bourgeois irredentist claims."
Safire

toothiness to irredentism; it is a

fighting word, rooted in Italian, for "unrecovered" land; it de-

scribes the Argentine yearning for

In retaliation, the United States

has recaptured adventurism, a

word that Communists used to use

in internal criticism, meaning "ex-cess revolutionary zeal leading to the taking of unnecessary risks":

now, the word is most often ap-plied to expansionism, which the

United States has also tied ooto

But what of peace-loving? That word — still hyphenated, although peacemaking and peacekeeping are

not — was seized by the Communist apparat (a Russian word the

United States stole) as part of its

propaganda line painting doves on tanks and denouncing the Western

warmongers. Peace-loving peoples are most often assumed to be Communist entities, just as oppressed peoples are Communist

iargets. Although Western political

leaders such as Daniel P. Moy-nihan have fulminated about the

linguistic invasion of the Commu-

nist propagandists - especially the truth-on-its-head seizure of

democratic — we have to recognize that peace-loving oow has an iron-ic red tinge to it.

The counterattack undertaken

by our side is spearheaded by free-

dom-loving. Perhaps this is rooted in "the free world," a nice bit of one-upmanship making the point that the Communist world is un-

free. Also, freedom fighter is a Western noun for what the Soviets

would call a guerrilla representing

It is as if some secret negotiation

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oppressed peoples.

known (as the Russians say),

LANGUAGE

Rival Political Loving Cups

Yalta, that resulted in an agree-

ment that the Russians got peace-

loving and the Americans got free-

dom-loving. Such a deal says something about priorities; "Better

Free Than Alive" is a slogan sure

IN A recent obiter dictum, I parenthesized: "An 'economic

writer is a writer who uses as few

words as possible." Boing! Fillet of

Wayne State University in Michi-

Economic is an adjective from

the Greek word for management

of a household, and has several

meanings: (1) pertaining to the creation or distribution of wealth,

(2) having to do with the science of

economics, as in "the economic de-

bacle is really a blessing in dis-

Economical is also an adjective

hut its meaning is limited to one of the meanings of economic: thrifty,

frugal. A person who is econom

cal is oo the lookout for a bargain.

and an economical writer does oot

waste words, or better, wastes no

So how do you describe some-

body who writes about economics without confusing him with some-

body who wastes no words? Eco-nomic writer could mean either, so

that's no good; economical writer

is limited to thrifty, but that could

mean his prove is spare or his life style is cheap, so I would skip that

The answer comes from Ower

Ullman and Sally Jacobsen of The

Associated Press, who wrote to record-straighten an entirely dif-ferent matter, (I had credited The

Wall Street Journal rather than the

AP with a quotation about the

possibility of a depression, which

in scholarly terms as "an economic

no-no.") They signed their letter

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The Annual Iceberg Hunt

By Andrew H. Malcolm New York Times Service

A BOARD A COAST GUARD RC-130, off Newfoundland - "Oh, they're out here all right," Lt. Frank Strum shouted over the roar of the plane's engines, "The trick is to find them before they find someone. And this is looking to be a real busy year."

The objects of Sturm's search and of a multimillion-dollar an-"Didn't you really mean 'eco-nomical writer'?" comments oual hunt are icebergs, the frosty leviathans that lumber out of the George Kelley of The Youngstown north this time of year to threaten the busy North Atlantic ship-"And a "criminal lawyer" is a lawyer who is a criminal," jeers law professor Ralpb Slovenko of ping lanes.

With funds from a consortium of maritime nations, the United States Coast Guard annually assigns a patrol plane, a team of vers and at times a ship to monitor the southerly flow of icebergs along the coast toward a natural doom in the warm Gulf Stream currents.

From fog-ridden fields in Newfoundland, these teams fly out daily, equipped with special radar gear and computer charts and using sharp eyes, a dash of daring and a sense of humor to leaven long hours of monotonous searching for the deadly bergs that began life generations ago as innocent snow on Greenland's

Five mooths a year the crews radio reports to computers on Governors Island in the New York harbor to update twice-daily international broadcasts transmitted to ships to prevent a repetition of the Titanic disaster that claimed more than 1,500 lives in 1912. The computers also hold data on area currents, and information on weather and temperatures to help predict the dai-ty movement of each iceberg.

By mid-April the crews were monitoring more than 90 ice-bergs, equal to the number usually plotted as late as July. The high number was a result of the winter's lingering chill and the severity of winters two or three years ago when the current ice-bergs were "calved," breaking off parent glaciers on Greenland's western shore.

Some icebergs spend a year or two in their home cove before By Keynes, they've got it! A writer oo economics is not an ecodrifting into currents that carry them on a 2,000-mile journey along the Greenland coast and nomic writer but an economics writer, using the noun rather than the adjective as modifier. Let the then down past eastern Canada and Newfoundland. readjustment roll: We are no long"The water is colder this year," said Sturm, who is from Hopatcong, N.J. "So even the smaller bergs are lasting longer."

The iceberg the Titanic hit was probably of medium size, standing 50 to 150 feet above the surface, with a dark reef of ice reaching far out underwater. Experts say icebergs can tower 300 feet high and can be more than 1,500 feet long, containing up to 1,5 million tons of ice, ninetenths of it hidden below, moving at a speed of 15 miles a day.

The Coast Guard calculates that it would take 2.4 million gallons of gas or 1,900 tons of TNT to melt or destroy a large iceberg. So destruction is left to the warm Gulf Stream, which does the job in two weeks.

Improvised Icebox

Every morning in Gander, weather and machinery permit-ting. Sturm boards an aging aircraft along with the two other ice observers, Petty Officers John Flynn of Voorheesville, N.Y., and Daniel Walsh of Syosset, N.Y., and a seven-member Coast Guard air crew from Elizabeth

City, N.C. They cover an area of ocean the size of Pennsylvania.

Depositing their lunches in the plane's tail to chill, the crew prepares the special radars and sen-sors able to differentiate icebergs from fishing boats. They closely monitor engine No. 4, which had a severe fuel leak the day before, causing an emergency three-engine landing. There are many jokes about handling the giant RC-130 in a severe spin and "blowing the jug," or crashing.

Wired Together

The plane is flown high and fast to the southern fringe of the iceberg alley, to make sure none have sneaked through. In the rear of the noisy craft, Walsh is waiting and dozing until urgently awakened by Flynn, who as a prank is wearing a parachate.

As the plane begins its patrol, flying low level patterns in the shape of inverted "Us," Andy Hampton, the radar operator, calls out the "targets," mostly ships. "No two bergs are alike." he says. "But from up here they all look beautiful."

Everyone on the plane is wired together by intercom headsets. jargon mixes with comradely bantering.

"We have a 34 DME lock on here," says the co-pilot, Allan Ferguson, meaning there is an-

other plane 34 miles away.
"How come," Lt. Fred Fairchild, the navigator, asks the engineer, Don Rye, "you look so much older than I do?" "I'm enlisted," comes the re-

"There are some big characters floating around out bere," says Walsh, "in all shapes and sizes with the most beautiful shades of

He must classify each sighting according to size. Even small ones, called growlers, only three feet above the water, can weigh Just as the plane is to climb

and head for home, Sturm calls out: "10 o'clock, five miles out. Bingo!" The craft swings to the left. There, hugging the shore, is a small berg, three peaks of white and green ice sticking perhaps 20 feet above the water. The plane circles to get the correct coordi-nates for relay to New York.

"Well, that's one," says a somewhat frustrated Sturm. "At least we know today where a lot

LETTER FROM ITALY

On the Style of Capri

By Dennis Redmont The Associated Press

CAPRI, Italy — The Isle of Capri is struggling with a dilemma: Should it cootinue to choke on regular tourist hordes or cater only to the international jetset and luxury-yacht crowd?

Ferry bosts and hydrofoils disgorge 1,000 tourists every 30 minutes on the picturesque port of Marina Piccola. When hotels fill up, Capri's permanent population of 12,000 triples or quadruples. Italy's tourist crisis last year

didn't touch us" says Mayor Saver-io Valente, 43, a U.S.-educated nuclear physicist, who juggles the post with a job in Rome as secretary of Italy's space agency.
"But we must decide if we want

this," he adds, pointing to assortments of shell beads, straw hats, sandals and mandolin-shaped music boxes that play the tune, "On the Isle of Capri."

"Or whether we want to make Capri an international crossroads,

with a gambling casino, jet-set visitors, and a luxury-yacht port."

According to legend, "The Jewel of the Mediterranean" rose like Venus from the seas and Roman emperors were so struck by the beaoty of its vegetation and lime-stone cliffs that Tiberius made it the capital of the empire from 27 to 37 A.D. Historical debate about Tiber-

rus' profligacy and cruelty brings bundreds to the spectacular clifftop Villa Jovis, one of the 12 palaces from where the emperor was said to have hurled his victims 1,800 feet down into the sea. After domination by Lombards,

Normans, Angevins, Aragonese, Spaniards, French and British, the island reverted to the Italian realm and became a home for expatriates, artists and eccentrics.

Maxim Gorky ran a school for revolutionaries here in 1907, training V.I. Lenin and Josef Stahin for Russian Revolution. Writers like Joseph Conrad, Rainer Maria

U.S. Sailor Is Killed In Puerto Rico Attack United Press Internal

SAN JUAN, Puerto Rico - A U.S. sailor was killed and two were wounded early Sunday by gunfire from a moving car, police and the

The attack took place in front of the San Juan Yacht Club, located on a busy street in San Juan's tourist area, an FBI agent said. Police said responsibility for the attack was not immediately claimed.

Rilke and recently Graham Greene found the hire of the len on trees and the Blue Grotto inc

sistible. But the King Faronics of Jackie Kennedys, the Eizabet Taylors and the Queen Sorsyss of the '50s and the '60s were squeezed out by the greasy, picmo-lines daytrippers," said Michele Salvia Capri's municipal commissioner

for sanitation and sport.

Tiny electric carts whin through the narrow white-washed streets of the island overnight, scooping in tons of garbage left by the tonists Islanders pay special taxes to transport it by barge to be sumed on the mainland.

Fractions Council

Construction of a new incinerator, a new port and a severe hous-ing problem are only a few of the issues dividing a city council so fractions that its members some times don't greet each other in the

New construction was banned New construction was samed 10 years ago. A former mayor was sent to jail for allowing forest to add new floors and stacks to be renovated. Although half of the isrenovated. Although half of the island's houses are occupied by vacationers for only six months a year, 20 local families mable to find lodgings have been fring in a hotel for the past 18 months and the city council is picking up the bill.

Mayor Valente, a graduate of Rensselaer Polytechnic Institute in Troy, N.Y., theoretically has an absolute majority with 12 councilmen out of 20. But his otheristian Democrat Party is split and the

men out of 20. but his samman.

Democrat Party is spin and the
two factions bombard each offier
with accusations through two rival
privately owned FM radio sta-

At a recent ceremony to thank the United States for bringing in a Navy helicopter to lift a statue to the top of a Capri cliff, the U.S. ambassador to Italy, Maxwell H. Rabb, was greeted only by Valente's faction, while most other parties boycotted the island-wide estivities and dances.

Mindful of the controversies, Valente is planning an-all island meeting in September to poll the main forces and chart Capn's to-

ture. Valente's critics claim that he has already made up his mind.
"High-level winter fashion
shows planned with Armani, Versace and Feudi, and the lobbying for a casino show what road Valente intends to take," charge Mario Del Vecchio, a Republican Party councilman. "He wants to make this place prohibitive for the

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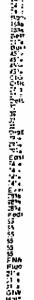
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